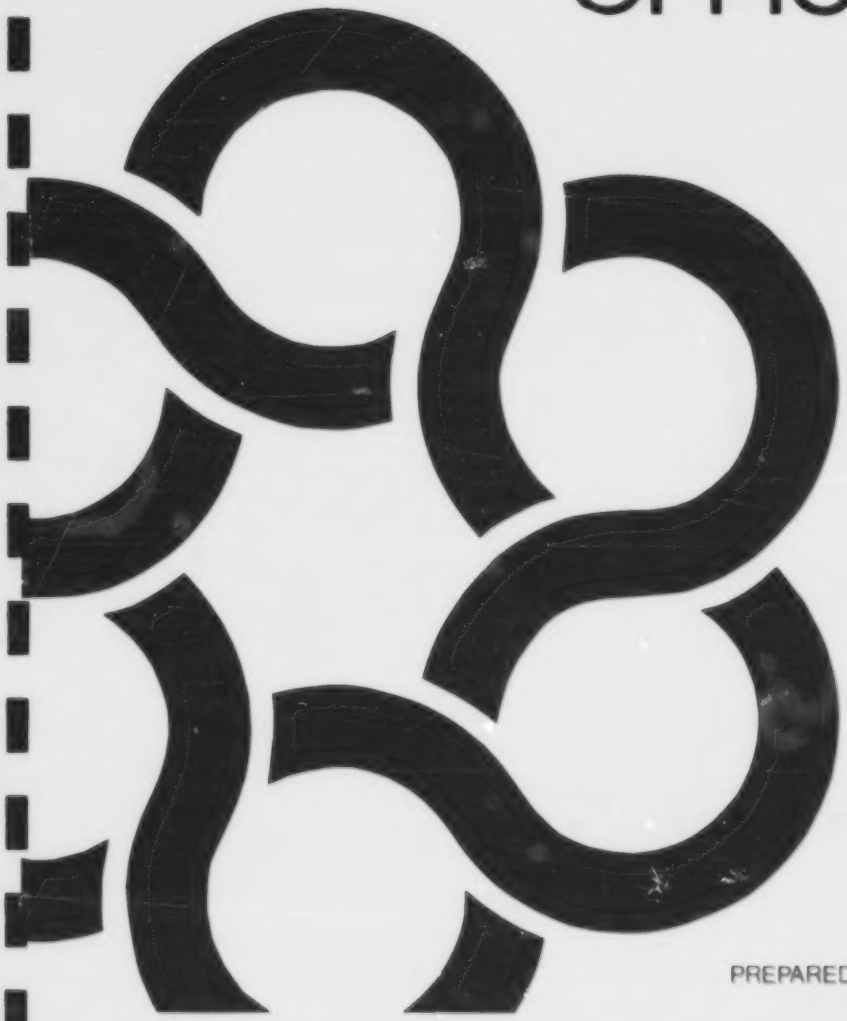
REPORT No. 11
1990

DYNAMICS OF THE GREATER TORONTO OFFICE MARKET



PREPARED FOR THE METROPOLITAN TORONTO PLANNING DEPARTMENT BY HEMSON CONSULTING LIMITED

METROPOLITAN PLAN REVIEW

The Municipality of Metropolitan Toronto

Metropolitan Plan Review

Report No. 11

DYNAMICS OF THE GREATER TORONTO OFFICE MARKET

A background document in the review of
"The Official Plan for the Urban Structure: Metropolitan Toronto"

Prepared for the Metropolitan Planning Department
by Hemson Consulting Limited

1990

92-00663/

HEMSON

June 8, 1990

Municipality of Metropolitan Toronto
Metropolitan Planning Department
City Hall, East Tower
11th Floor
Toronto, Ontario
M5H 2N1

Attention: Mr. J. Livey
Director - Policy Development

Dear Sirs:

Re: Office Dynamics Study

We are pleased to attach our report on the study of the dynamics of the Greater Toronto Office market. The study was undertaken by our firm in conjunction with Dr. Gunter Gad of the University of Toronto.

The purpose of the study was to develop a better understanding of how and why organizations make office space decisions. The research focused on organizations located in ten office areas drawn from all parts of the region. Over two hundred organizations and industry experts were interviewed.

The interviews demonstrated that space decisions involve a complex interplay between employee, operational, image and space factors. These internal factors interact with an external environment which is continually shifting as new office supply is added, rents fluctuate and as the region grows and changes.

The results clearly showed that Metropolitan Toronto maintains a strong appeal for many organizations. At the same time, the auto oriented segment of the market has concerns about traffic congestion and parking. Other issues that organizations consider important are public transit, rising cost of space, appearance and amenities within office areas and the need for more space choices.

While the complexity of the Toronto region office market underscores the difficulties in developing appropriate office policies, we believe that this study will assist policy makers in their deliberations.

We would like to express our appreciation to the many organizations that cooperated in the study, and particularly those that participated in detailed case studies. We would also like to thank the members of the Policy Division and of the Study Steering Committee for their advice and assistance.

Yours very truly,

HEMSON CONSULTING LTD.

John W. Hughes
Partner

PREFACE

The Official Plan for the Municipality of Metropolitan Toronto, entitled "Official Plan for the Urban Structure: Metropolitan Toronto", was adopted and largely approved in 1980. The Plan applies to the Metropolitan Planning Area comprised of the Cities of Toronto, Etobicoke, York, North York and Scarborough and the Borough of East York. This area is illustrated on Figure 1.

In March 1986, the Metropolitan Council approved a program to review the Plan. The Metropolitan Plan Review will proceed by studying five major subject areas, namely:

- regional assumptions and the concept;
- housing and residential development;
- employment areas and activities;
- transportation; and,
- open space and urban environment.

Phase 1 of the review process, of which this study is a component, is the preparation and publication of a series of technical background and proposal papers covering the above five subject areas. Community response to those papers is an integral part of the Metropolitan Plan Review and is encouraged from all sectors and levels of the community. All responses will be considered in any subsequent policy reports recommending revision to existing policy.

Dynamics of the Greater Toronto Office Market is a technical background report, one of a series examining employment areas and economic activity in the Metropolitan Toronto Planning Area. The report was prepared for the Metropolitan Planning Department by Hemson Consulting Limited, Toronto.

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Boundary of Metropolitan Toronto Planning Area
Municipal Boundary within Metro Toronto
Surrounding Municipal Boundary

FIGURE 1 THE METROPOLITAN TORONTO PLANNING AREA

I BACKGROUND

The Greater Toronto Area is one of the largest and most diverse office markets in North America. This position has been reached quickly. In 1968, when the first phase of the Toronto Dominion Centre opened the Toronto area contained about 2.5 million square metres. By 1990 it had grown to 10.7 million square metres with nearly half of the growth occurring in the past ten years. It accommodates a substantial component of the region's workforce with over half a million people going to work in office buildings on a daily basis. This number is expected to rise to around 700,000 people by 2001.

Offices make a substantial direct contribution to the local economy in the form of construction and operating service jobs and for municipalities, are a crucial source of property tax revenues. At the same time, they also create demand for services and, in particular, transportation. Therefore, while municipalities welcome the employment opportunities and taxes that offices represent, they are, at the same time, concerned about the problem of their demands on existing infrastructure and their requirements for additional investment to accommodate new growth.

Judged by the growth in office employment in the past twenty years, the policies of Metropolitan Toronto, and its constituent municipalities have been broadly successful. A central element of Metro's office strategy in the past ten years has been its decentralization policy. Embodied in the Official Plan, the policy has the objective of accommodating and encouraging office growth in the suburbs. More specifically, it has the aim of creating a series of "Metropolitan Centres located along rapid transit facilities". In addition to the Central Area, six such centres were established. Scarborough Town Centre and North York were designated

as major centres which would provide a full range of economic, social and residential amenities while Eglinton, St. Clair, Kipling/Islington and Kennedy were designated as intermediate centres. In addition to these subway oriented centres, the plan recognized six automobile oriented office parks and two centres referred to as "principal foci", a term used to identify them primarily as potential centres. Finally, the Plan recognizes Area Municipality Centres and encourages the development of uses near rapid transit centres, although implying that their growth should not occur at the expense of the Metropolitan Centres.

Since the inception of the decentralization policy, Metro has made a number of initiatives to assist the centres to develop. Many of these initiatives have been transportation oriented of which the outward extensions of the subway system have been the most significant.

The degree of success of individual centres has varied. The Central Area has continued to grow at a substantial pace and St. Clair and Eglinton are now approaching the point of full development. Of the new centres, North York has expanded the most. Starting with a relatively small base that was heavily oriented to the government sector, it has now become a major diversified office centre. Office space in the Scarborough Town Centre grew quickly in the early 1980's but the mix of development has since shifted and currently involves both office and high density residential projects. Of the other two centres, Kipling/Islington has seen some development but has not "taken off" while virtually nothing has happened in the Kennedy centre.

The office parks have also performed with varying degrees of success. The more mature parks have had lack lustre performance, Don Mills in particular. By comparison, the parks on the Metro boundaries (Rexdale and Parkway Finch) have grown considerably.

Fifteen years ago it was realistic to describe the region's office market in terms of Metropolitan Toronto alone. This is no longer true. In the interim a growing proportion of the new space in the region has been built beyond Metro's boundaries, with Mississauga and Markham accounting for the majority of the fringe growth. While jurisdictionally Metro has no role in the outer areas, it has a very real interest in understanding their market position. Put more directly, the relative success of Metro's centres and the office areas policy are affected to no small degree by the performance of the office areas outside Metro. Thus, for example, Kipling/Islington might have achieved significantly more employment growth in the past ten years had fewer firms chosen to locate in the Mississauga City Centre area.

Recognizing, therefore, that the office market in the Greater Toronto area is becoming increasingly large, complex and above all competitive, the Metropolitan Toronto Planning Department decided to commission a study of the dynamics of the office market. Accordingly, Hemson Consulting Ltd., in conjunction with Professor Gunter Gad of the University of Toronto, were retained to undertake the study.

The key objectives of the study were to:

- understand the qualitative differences of various office ares in Metropolitan Toronto and the surrounding regions;
- determine what factors influence the location of various types of offices; and
- determine the effect of public sector initiatives on office location decisions.

In order to do so, a series of surveys was conducted.

- A survey of two hundred establishments located in ten office areas in the region.
- Five detailed relocation case studies of establishments with more than 100 employees.

- Five interviews with developers office leasing agents and relocation consultants.

In addition, profiles for each of the ten office areas were prepared, based on an analysis of employment and space trends.

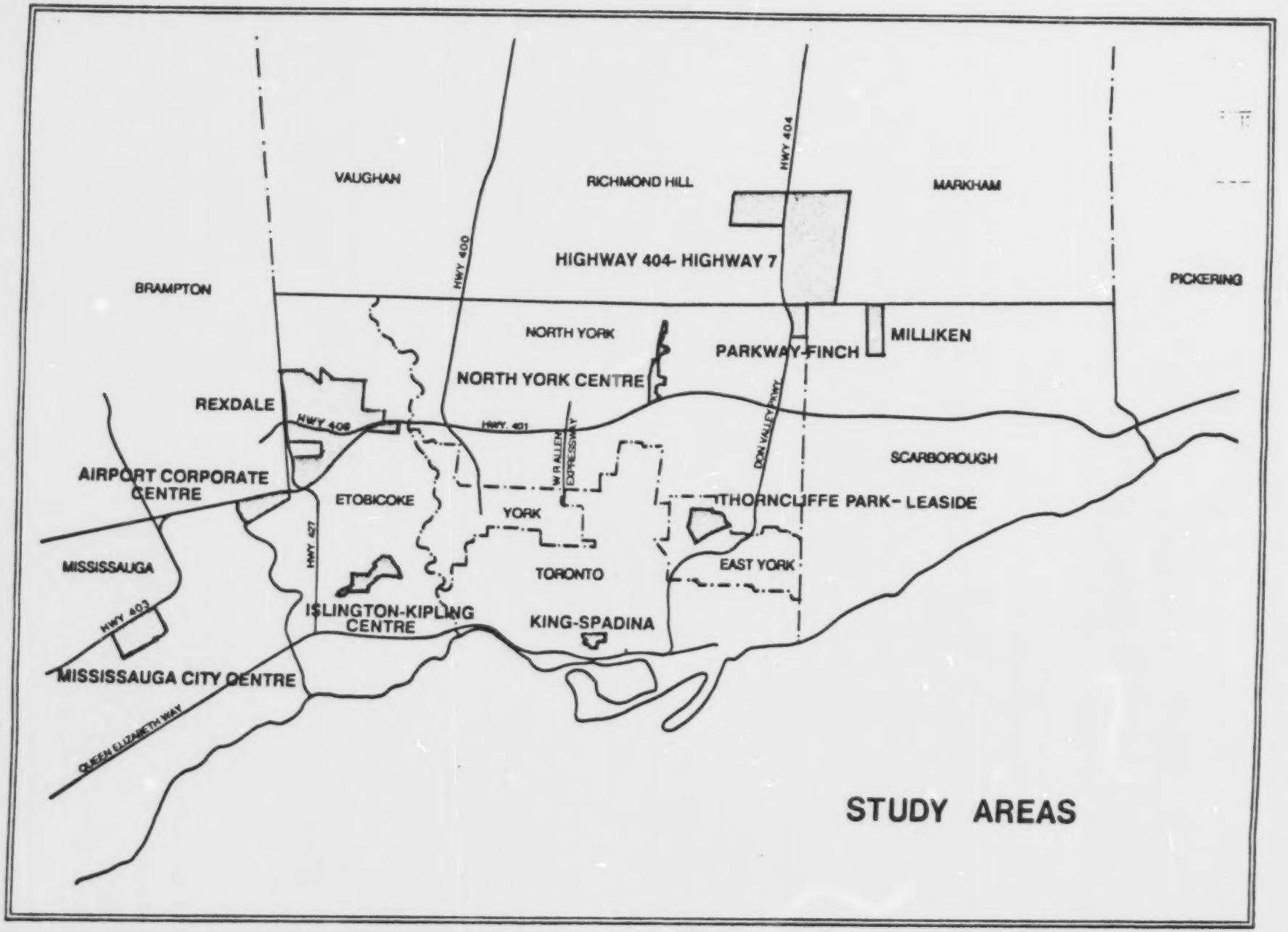
II RESEARCH FOCUSED ON UNDERSTANDING LOCATION DECISION MAKING PROCESS

The central purpose of this study was to obtain a better understanding of why and how tenants choose particular office locations. Secondly, the study sought to identify the strengths and weaknesses of a cross-section of office centres in order to assist in the development of public policy initiatives. To accomplish these study objectives, a three phased work programme was undertaken. The first phase involved the selection of ten study areas and the preparation of a detailed statistical analysis of each one. In the second phase a series of survey interviews was undertaken of establishments and of office market experts. The last phase involved analysis of the survey results and development of policy options.

This section discusses the study methodology in more detail.

A. A BROAD CROSS-SECTION OF OFFICE LOCATIONS WAS STUDIED

As has been noted previously, Toronto's office market is extremely large. For this reason it was recognized at the outset that it would be impractical to undertake an analysis of every office location in the area. It was therefore agreed between the Steering Committee, Metro staff and the consultants that the study should focus on examining a representative cross-section of study areas.


VAUGHAN
RICHMOND HILL
MARKHAM
HWY 404
HWY 400
HIGHWAY 404- HIGHWAY 7
BRAMPTON
PICKERING
NORTH YORK
MILLIKEN
PARKWAY-FINCH
NORTH YORK CENTRE
REXDALE
HWY 406
HWY. 401
W.R. ALLEN EXPRESSWAY
DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
YORK
THORNCLIFFE PARK- LEASIDE
HWY 427
MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
STUDY AREAS

The study areas were chosen to reflect the full range of characteristics.

Study Area	Abbreviation[1]	Characteristics
North York	N.Y.C.	Suburban Metro Rapid Transit Oriented Centre
Islington/Kipling/Bloor	I/K/B	Suburban Metro Rapid Transit Oriented Centre
King/Spadina	K/S	Central Area Rapid Transit Oriented Industrial/Office Area
Leaside	T/L	Inner Metro Auto Oriented Industrial/Office Area
Parkway/Finch	P/F	Outer Metro Auto Oriented Office Park
Rexdale	REX	Outer Metro Auto Oriented Industrial Area
Milliken	MIL	Outer Metro Auto Oriented Industrial Area
Airport Corporate Centre	ACC	Non-Metro Auto Oriented Office/Industrial Park
Highway 404/7	404/7	Non-Metro Auto Oriented Office/Industrial Park
Mississauga City Centre	MCC	Non-Metro City Centre

Strong consideration was also given to including the Central Core as a study area. However, it was decided not to do so for three main reasons:

[1] *Abbreviation used in Tables Of Results.*

EXHIBIT I

PROFILE OF RESPONDENT ORGANIZATIONS

	ACC	I/K/B	404/7	NYC	MIL	REX	T/L	K/S	MCC	P/F	TOTAL
Type of business											
Manufacturing	15%	5%	10%	10%	0%	20%	0%	0%	10%	5%	8%
Transportation	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Communication	0%	0%	0%	0%	0%	0%	5%	5%	0%	0%	1%
Construction	10%	5%	10%	0%	17%	5%	0%	0%	10%	0%	5%
Trade - wholesale	10%	5%	0%	0%	0%	5%	5%	0%	0%	10%	4%
- retail	15%	15%	0%	5%	0%	15%	0%	0%	10%	0%	6%
FIRE	15%	15%	35%	25%	33%	20%	15%	15%	30%	40%	23%
Business Services	30%	55%	40%	50%	17%	25%	35%	75%	35%	44%	41%
Personal Services	0%	0%	0%	5%	0%	5%	0%	0%	0%	0%	1%
Other	10%	0%	15%	5%	33%	20%	40%	5%	5%	1%	14%
Number of employees											
Full-time	1338	370	1182	687	140	870	341	322	517	852	6634
Part-time	75	45	5	162	30	20	0	27	2	3	369
Total	1413	415	1187	749	170	890	341	349	519	855	7003
Male/female distribution											
Males	54%	49%	53%	44%	55%	58%	57%	45%	55%	58%	53%
Females	46%	51%	47%	56%	45%	42%	43%	55%	45%	42%	47%
Types of employees											
Management	21%	27%	21%	37%	38%	25%	26%	38%	33%	30%	30%
Clerical	35%	26%	29%	30%	27%	26%	17%	16%	32%	23%	26%
Technical	29%	15%	22%	11%	25%	30%	38%	29%	21%	17%	26%
Other	15%	32%	28%	18%	10%	17%	15%	16%	15%	25%	20%
Proportion of employees who drive to work											
Less than 25%	0%	10%	0%	5%	0%	0%	5%	45%	0%	0%	7%
25% - 50%	0%	30%	0%	30%	0%	0%	5%	25%	5%	10%	11%
50% - 75%	15%	15%	5%	15%	0%	0%	40%	10%	10%	15%	14%
75% plus	85%	45%	95%	50%	100%	100%	50%	20%	85%	75%	68%

*Percentages may not necessarily add to 100.

- The relative size of the Central Core compared to the other centres is so large that either a disproportionate component of the study resources would have been required or, without extra research, the analysis would be unreliable because of the small sample size.

- Market dynamics in the Central Core area already quite well understood.

- The Central Core is unique within the region whereas the other office areas face competition from both within Metro and from the sub-markets beyond its boundaries.

Although it was decided not to include the Central Core as a study area, some of the analysis of the area was examined for comparison purposes. As well, existing studies on the Central Core were drawn upon.

Employment and office space statistics for the study areas were analyzed. The sources of employment data were the Land Use Activity files for the Metro areas and employment surveys for Mississauga and Markham. The Hemson Office Survey data base was used to obtain office building rent and space statistics. Appendix B contains the detailed area by area analyses.

B. MAIN SURVEY COVERED ESTABLISHMENTS IN THE TEN STUDY AREAS

The major component of the work programmes was a survey of 200 establishments that had moved into new accommodation within the past three to four years. Twenty respondents were sought in each of the ten areas and, with the exception of Milliken where only 13 responses were obtained, the full quota was reached. Exhibit 1 provides a profile of the respondent organizations.

While it was not feasible to obtain a sample of organizations that exactly mirrored all the characteristics of each area, respondents were selected with a view to providing a reasonable representation of the area profile. A deliberate over-sampling was made of larger establishments as they have a disproportionately large influence in the market.

In general, the samples were chosen so as to provide a representative mix of the business categories found in each area.

A three part questionnaire was developed. A copy is contained in Appendix A.

Part A	Addresses the characteristics of the organization, the space, the employees and the activities conducted.
Part B	Explores the reasons behind the (re) location move including the decision making process, the reasons for relocating, and areas which were considered. It also poses questions about the significance of a number of issues over which municipalities have a direct influence.
Part C	Examines the advantages and disadvantages of the new location and seeks suggestions regarding office policy initiatives.

Most of the interviews were undertaken by telephone as respondents found this method more convenient than prearranged interviews. Approximately 5% of the respondents requested a copy of the survey ahead of time, in which case it was FAXED or mailed. A few respondents provided written responses. The level of cooperation was very high and only a few organizations declined to participate.

Care was taken to ensure that those interviewed had a thorough knowledge of their organization and of the decision making process. In smaller organizations interviewees were generally the president or a senior officer whereas in larger organizations they were more commonly a senior executive or a manager in either the human resources, administration or facilities departments.

Some qualifying comments are warranted regarding the survey responses. First, while respondents endeavoured to provide objective facts about their organizations it must be assumed that responses inevitably were not always correct. On subjective issues such as quality of services or the significance of traffic congestion, the respondents, by definition, could provide only a personal perception of the views of the organization as a whole. Finally, a location decision is generally the result of a process in which a number of people are involved but in which each of the participants would have had personal interpretations of the issues and their relative importance. Thus, for example, while one decision maker may have viewed rent as the key issue, another may have considered staff accessability to be more important. As a result, the survey responses might well have differed for a given organization had a different person been interviewed.

The key point to be recognized therefore is that the survey results should be regarded more as a guide to organizational behaviour rather than a statistically accurate measurement.

The results of the survey are discussed in Section IV of the report.

C. FIVE CASE STUDIES OF LARGE ORGANIZATION RELOCATIONS WERE UNDERTAKEN

The second major component of the study was a series of detailed case studies of the relocation decisions of five large organizations. As with the broad survey, organizations that had moved into space within the ten study areas in the past few years were sought out. In one instance, however, a selected corporation was not within a study area but in a comparable location nearby.

Between two and five people connected or familiar with the relocation decision were interviewed for each case study. The format of the interviews was not as structured as the broad survey, the intention being to probe decisions using open-ended questions. Because of the small number of the case studies and the size requirement of the organizations, the range of business categories was limited. As an alternative, it was therefore decided to carry out comparative case studies of companies in two industries (financial services and electrical equipment) which had chosen different locations.

Information from the case studies is incorporated in Section IV while Appendix C contains a more detailed discussion.

D. OFFICE DEVELOPERS AND LEASING AGENTS WERE INTERVIEWED

A final group of six interviews was conducted with office building developers and leasing agents. These interviews were undertaken to obtain a supply side perspective on the office market, insights into the comparative behaviour of different space consumers and finally, industry assessments of the various office areas within the region.

• • • • • • • • •

In summary, the study was designed to obtain a better understanding of the process by which organizations select new office locations and the factors which influence choices. The methodology used was primarily surveys. The survey responses were extensively cross-tabulated and were analyzed in conjunction with statistics on employment and establishments for the ten areas selected for examination. This information was supplemented by a survey of office industry participants.

III SELECTION OF AN OFFICE LOCATION IS A COMPLEX PROCESS OF "TRADE-OFFS"

To better understand the survey results discussed in the next section it is worthwhile to first review the generic nature of the location decision-making process and the factors which are considered when a choice is being made.

Based upon prior research and what was revealed during the study, it is reasonable to suggest that, in most cases, location decisions are made with the objective of selecting a combination of location and space that is perceived to best meet the objectives of an organization at the lowest cost. However, this "ideal" is likely not often achieved as decisions are inherently constrained by the choice of space available at the time and the price at which landlords are prepared to provide the space. Balanced against these external constraints of space costs and availability are the internal considerations of organizations. These can be categorized under four largely independent headings.

A. EMPLOYEE CONSIDERATIONS

Generally, the most crucial resource of any office-based organization is its employees. Therefore, most organizations start by identifying locations which would best suit its employees. Three elements come into play; the journey to and from work, the quality of the working environment and finally, the amenities available in and around the office. Of these three elements, commuting is by far the most important, at least in the Toronto region, where commuting times are potentially so significant. As with other aspects of the location decision, the 'best' choice is inevitably a

compromise. Decision makers not only have to consider how well a location may suit some employees but also how badly disadvantaged others will be.

A number of examples illustrate the complexity of employee issues that are being faced. One quite common consideration is the informal categorization of staff between those who are essential and those who are replaceable. In some instances, therefore, organizations may choose a location that ensures the retention of key personnel even though it may result in the loss of a large element of its work force. In other instances, decisions may be made with less regard to existing employees than to the long term outlook. Thus, some organizations that require a large pool of clerical staff may choose to relocate to suburban areas in part so as to be close to potential employees as they move out of centrally located apartments and into residential areas in the outer suburbs.

B. OPERATIONAL CONSIDERATIONS

The second main consideration for an organization is that its location provide the most effective support to day-to-day operations at a reasonable cost. The operational factors which are tied directly to location generally concern linkages with clients, services and with other parts of the organization. These linkages can be categorized as either 'inbound' or 'outbound' depending on whether visitors come to the location or staff go out to other locations. Linkages have many other characteristics with the following being the most important.

- Geographic distribution
- Frequency
- Urgency
- Predictability

Depending upon its pattern of linkages, the suitability of a particular location to a specific organization will vary. For example, lawyers that specialize in cases which are heard at the downtown courts will have a distinct pattern of inbound and outbound linkages. Inbound linkages will be predominately client visits to the office. The geographic distribution of these visitors is unpredictable. Thus, a central location which is accessible to most areas is the most cost effective. On the other hand, outbound linkages, which predominately would be attendances at court, are highly concentrated and are likely to be frequent and predictable. Thus from the standpoint of linkages alone, a location close to the downtown courts would be the most appropriate.

By comparison, an organization with a large sales force and a widely dispersed customer base would likely have fewer inbound business linkages compared to the number of dispersed outbound linkages. For this type of organization the most suitable location would be one that provides a balanced access to its customer base. In some instances, a location decision can be significantly skewed by one special operational consideration. An obvious example would be a need for guaranteed rapid access to the Airport. This can only be assured by a location in the immediate vicinity.

The linkage concerns discussed above are primarily related to transportation. However, other types of considerations exist. Examples are:

- municipal planning considerations,
- special telecommunication requirements, and
- power supply requirements.

D. SPACE CONSIDERATIONS

Although not strictly a location issue, the type of office space each location contains is an influential factor in a decision. However, because most space is already occupied, it is the available space that is important rather than the total inventory in an area. Real choice for an individual organization is further restricted when specific size requirements are considered. In fact, in the upper size spectrum of the market, immediate choice is often non-existent and therefore tenants have to choose between buildings that have yet to be built.

Finally, building form, age and quality are also related in part to location. Only in the Central Core can sixty storey buildings be found while conversely all low rise campus style office buildings are located in suburban parks.

* * * * * * * *

The foregoing has described generic considerations that affect an organization's location decision. The nature of these considerations is such that conflicts between and within them are inevitable. What may be the best solution from one aspect of an organization's activities may be unsuitable from another. Given this, it is evident that location choice is best regarded as a highly complex exercise in trade-offs between:

- Costs
- Employees

IV SURVEYS IDENTIFIED KEY LOCATION ISSUES

This section discusses the results of the surveys and concentrates on the principle aspects of relocation decisions and the factors affecting them. The section is divided into seven parts each of which examines a separate issue. The issues are as follows:

1. How do organizations undertake the location search?
2. What factors trigger the need for a location decision?
3. What causes organizations to relocated to new areas?
4. How broadly are searches conducted?
5. How important are municipally influenced factors in the location choice?
6. What advantages and disadvantages do organizations find in different study areas?
7. What are the policy issues that organizations consider Metro should address?

A. THE SEARCH PROCESS VARIES BY SIZE OF ORGANIZATION

The manner in which location decisions are arrived at tends to vary according to the size of the organization. The first difference involves the nature of the key of decision makers.

Key Decision Makers
(%)

	(No. Of Employees)		
	≤10	10 - 49	50≥
Board of Directors	4	12	28
CEO	63	43	37
Others	31	39	33

As can be seen from the table above the role of the CEO in the decision tends to decline as the size of the organization increases. However, all sizes of organizations involve other personnel in a decision. These include, for example, office or facilities mangers, and financial and administrative personnel.

The second set of noticeable variations in the process are the search methods.

Search Methods
(%)

	(No. Of Employees)		
	≤10	10 - 49	50≥
Used Real Estate Broker	25	56	47
In House Research	63	58	51
Consulted Economic Development Dept.	4	3	16
Non Canadian Ownership	11	20	47

Smaller firms seem to rely far less on the services of real estate brokers than larger firms and tend to do more research work themselves.

Another interesting aspect of the process concerns the role of economic development departments. While seldom consulted by small and medium sized companies, larger companies report a fairly significant level of usage.

Experience suggests that this greater usage is explained firstly by the more structured way in which larger organizations make decisions, and secondly by their ownership pattern. As larger organizations usually require decisions to be documented, economic development offices are useful to them as a prime source of the data that go into the required reports. The final decision makers in large organizations are also less likely to have been involved directly in the search process and therefore have to depend to a larger extent on second hand information. Finally, because a significantly larger proportion of the larger organizations have non-domestic ownerships, more decisions involve people who are quite unfamiliar with the Toronto market place and who therefore require more supporting documentation.

Broadly, the typical small organization will most often use its own resources to find space and will rely upon the CEO to make the final decision. By comparison, larger firms undertake internal research but will also often use a real estate broker to identify locations. Recommendations may be made based on a reasonably thorough analysis, supported by not infrequently external data sources. The final decision will be made by the CEO or the Board of Directors, with significant input being obtained from other senior members of the organization.

EXHIBIT II

REASONS FOR RELOCATION & LOCATIONS CONSIDERED

	ACC	I/K	404/7	NYC	MIL	REX	T/L	K/S	MCC	P/F	TOTAL
Previous location - same area (Relocators)	25%	42%	53%	50%	14%	60%	38%	69%	18%	46%	49%
- other area	75%	58%	47%	50%	86%	40%	42%	31%	82%	54%	51%
Reasons for leaving previous area (Relocators)											
lack of sufficient parking	8%	0%	0%	38%	0%	17%	13%	0%	0%	0%	9%
high parking costs	0%	0%	13%	25%	0%	0%	0%	0%	0%	14%	6%
traffic congestion	8%	14%	0%	25%	0%	17%	13%	0%	22%	14%	14%
poor highway accessibility	0%	0%	13%	38%	0%	17%	0%	25%	0%	14%	9%
poor/lack of public transit	0%	14%	0%	0%	0%	0%	0%	25%	0%	0%	3%
inadequate supply of space	17%	14%	50%	88%	17%	17%	38%	25%	11%	14%	32%
high rental rates	8%	0%	50%	25%	17%	17%	38%	0%	0%	71%	24%
labour shortage	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
not close to executives' homes	0%	0%	0%	13%	0%	0%	0%	0%	22%	0%	5%
not close to clients	0%	0%	13%	0%	0%	0%	13%	0%	33%	14%	9%
other	92%	29%	38%	38%	50%	100%	63%	50%	89%	29%	65%
Other locations considered (All Respondents)											
downtown Toronto core	5%	20%	0%	15%	0%	0%	5%	10%	0%	5%	5%
area adjacent to core	5%	10%	0%	5%	0%	0%	10%	5%	0%	10%	4%
other Toronto office centres(St. Clair, Eglin., etc)	5%	0%	0%	25%	8%	0%	30%	15%	5%	35%	9%
Suburban office centres (eg. North York, Scarb.)	25%	10%	15%	15%	17%	10%	25%	10%	10%	0%	17%
other office areas in Metro (eg. office parks)	10%	0%	0%	5%	0%	0%	10%	0%	5%	0%	3%
industrial areas in Metro	20%	0%	0%	5%	0%	10%	0%	0%	0%	0%	4%
office centres outside Metro	35%	10%	0%	10%	0%	30%	5%	5%	30%	25%	16%

*Percentages may not necessarily add to 100

The detailed case studies confirmed these patterns. In one instance the corporation was relatively new to Canada with most of the team of decision makers being recent arrivals from the U.S. The company therefore retained the services of a relocation expert. However, the parent company did not take an active role in the process.

The second company surveyed with U.S. ownership also made its decision locally. However, in this instance the search process was undertaken mainly using internal resources with a real estate broker being brought in during the process. The key decision maker was the Canadian president.

B. RELOCATIONS OCCUR OUT OF NECESSITY NOT CHOICE

The large majority of space location searches are triggered by relocations of existing establishments either to space nearby or to new areas. In total, relocations accounted for 67% of the organizations surveyed. Next in importance were business start-ups (22%) followed by new branch offices (11%).

Of the existing organizations that relocated, 86% did so because of a requirement for additional space. The remaining 14% relocated because of an expiration of a lease. However, as is shown in Exhibit II, of all relocating organizations, almost 50% chose to remain in the same general area with the vast majority of this group (89%) not even considering an alternative location. Of the organizations that did choose to relocate to a new area, the most commonly cited reason was the lack of adequate space in the previous location (32%). However, 24% of organizations cited high rental rates with a disproportionately high number of these being from the Central Area.

Other reasons which were cited less often were:

- traffic congestion (14%)
- insufficient parking (9%)
- poor highway accessibility (9%)
- not close enough to clients (9%)

The results clearly suggest that organizations are reluctant to move from an existing location. This is very significant for Metro as it contains the largest proportion of the existing space inventory and tenants. Accordingly, a high retention rate can be expected in Metro as long as other factors do not become unduly difficult.

The results also provide support to the generally observed preference of organizations not to move to radically different locations. Thus an organization that does decide to relocate is most likely to choose a location with attributes as similar as possible to its prior location. Put differently, the preferred choice will usually be the location that creates the least disruption. This pattern provides an explanation for the success of the North York Centre which contains many organizations that were previously located in the downtown area. For these organization, a northward move is likely the least disruptive of the options available. This is because North York is essentially a "neutral" location compared to the Core as it has the same relative east/west relationship to the region as a whole.

By comparison, a move to either Kipling/Islington or Scarborough Town Centre would alter this east/west balance which in turn would affect existing employee and business linkages. Hence, North York can be considered a more desirable location for Central Core relocators than either of the other two newer subway oriented office centres.

While caution should be exercised in their interpretation because of the small sample size, the results do provide some guide to the differences between organizations that remain in a location versus those that relocate. The main differences the results showed were:

Type Of Business	A disproportionately high number of industrial organizations relocate. Conversely, a high proportion of business services organization stay put.
Drive To Work	Relocating firms have a significantly higher "Drive to Work" ratio than firms that do not relocate.
Ownership	More relocating firms choose to own their space.
Zoning Regulations	Are more important to relocators.
Municipal Taxes	Are less important for relocators.
Lack And Cost Of Parking & Amenities Retail	Non-relocators view parking constraints as the main disadvantage of their new location whereas relocators mentioned the lack of retail amenities most often.

While the results are not conclusive because of the limited sample size, they bear out trends previously observed. For example, in the Central Core, there has been clear evidence of manufacturers relocating. Conversely, the business services sector has been expanding in place.

Maps showing the origin and destination of relocators are contained in Appendix B sections describing each study area. Of the 66 relocators covered by the main survey, 24 came from the Central Area. The largest group of relocators (28) were previously located in the many diversified office locations throughout the Toronto area. The remaining 14 relocators came from recognized office centres. This relatively lower proportion that is perhaps explained by the fact that an organization would have less to gain from such a move because of the relative similarity between the existing location and a new centre.

Analysis of the relocators shows that those coming from the Central Area have quite different concerns than suburban relocators. The reason most often cited for not remaining in the core was high rent (33%) followed by space shortage (20%) and traffic congestion (25%). By comparison, for the other relocators space shortage was the only significant reason (29%). This shortage of supply is no doubt because isolated locations have very limited alternative space choices compared to areas with concentrations of offices.

C. FEW ALTERNATIVE LOCATIONS ARE CONSIDERED

When an existing organization has to move, the results of the survey suggest that the number of areas considered is relatively small. Of the 63 surveyed organizations that ultimately remained in the same area, only 11% initially considered any other areas.

However, of the organizations that relocated to different areas, 90% considered at least one other area and 26% of them considered two other areas.

Downtown Toronto areas were considered by only two organizations. The types of areas considered most often were the Suburban Metro Office Centres (by 14 organizations) and Non-Metro Office Centres (by 10 organizations). No specific pattern of reasons explains why other areas were rejected.

These results, therefore, tend to confirm general experience with relocation decisions which is that organizations normally narrow the field of choice very quickly during the decision making process. As discussed previously, for many organizations the issue of a new area will not even arise because of a general satisfaction with the existing area and the certainty that a move to a new area would be disruptive.

For organizations that either choose or are forced to move, the motivations behind the decision will, often in themselves, define the likely new location within quite narrow parameters. Choices also become limited because, given the complexities of a decision, it is often too difficult and time consuming to evaluate multiple options. Finally, because space decisions are required only infrequently and involve factors with which most organizations have only limited experience, the normal tendency is to simplify the decision by limiting the range of choice.

The large organizations in the case studies all considered at least one other location with most starting with wide search areas. However, the characteristics of each firm and their corporate objectives quickly tended to narrow the search area. For example, one of the firms was very close

to making a decision to move to the Financial District until a department of the company from the U.S. that was to have participated in the space backed out. Very shortly afterwards the company selected a suburban alternative. The new choice was seen as obvious because it was near the existing location and was the only building available that could meet the full range of requirements being sought.

The apparent limitation of the searches suggests that decisions are made with quite "imperfect" knowledge. This runs contrary to the "model" of location decisions which assumes that location choices are the logical result of an evaluation in which decision makers have a good knowledge of all possible options.

In practice, it can be argued that many decisions may be far from the most logical choice because of the limitations of the search process. This in turn would help to explain why it is so difficult to predict with much accuracy how particular locations will perform or which types of organizations will be drawn to them.

D. SOME MUNICIPALLY INFLUENCED FACTORS ARE IMPORTANT

The survey results show that some location factors in which Municipalities can be influential are important to a location decision. Seven specific factors were tested.

1. Metropolitan Toronto Location

The results show that organizations that have chosen Metro locations consider that being within its municipal boundaries is important. However, the importance of the Metro location appears to be more related to the advantages of being close to the centre of the region than to any jurisdictional factor.

The size of firm also bears a relationship to the importance of this factor. 54% of organizations with less than 10 employees indicated the factor to be important compared to only 30% of organizations with more than 50 employees.

2. **Assistance of Municipal Staff And Municipal Information Packages**

As was noted in the section dealing with the search process assistance from municipal economic development departments was not widely sought.

Generally, organizations that do use these departments seek information rather than assistance. New space seeking organizations were proportionately larger users of the municipal services. However, those organizations with needs that involve zoning questions will very often call upon economic development departments for help as they are regarded as being best attuned to the needs of organizations.

3. **Zoning Regulations**

This factor was not considered particularly important. The highest response rate to this question was given by organizations in the Airport area possibly because of its mixed use character.

4. **Property Taxes**

While the importance placed of property taxes was reasonably high for the sample as a whole (40%), there were widely different responses by study area. In the King Spadina area only one of the twenty organizations considered this factor to be important whereas twelve organizations did so in the Airport Corporate Centre. No clear reason is evident for this although industrial organizations often cited this issue more often.

Part of the explanation could also be that realty taxes are not normally seen by tenants as a separate cost recovery item as they are normally included as part of overall operating cost charges. By comparison in all but one instance, organizations that own their space did note this factor as being important.

Despite the survey results, industry experts suggested that taxes are often considered to be very important factors in a decision.

EXHIBIT III

OPINIONS REGARDING CHOSEN LOCATION

	ACC	I/K/B	404/7	NYC	MIL	REX	T/L	K/S	MCC	P/F	TOTAL
Main advantages of location area											
Low office rents	20%	15%	25%	25%	0%	15%	25%	25%	15%	30%	20%
Proximity to highway	60%	40%	60%	50%	25%	65%	70%	25%	50%	75%	53%
Good public transit	5%	65%	10%	85%	8%	15%	25%	50%	30%	40%	34%
Proximity to Airport	80%	15%	0%	5%	0%	70%	0%	0%	30%	0%	21%
Proximity to downtown Toronto	5%	5%	5%	15%	0%	5%	30%	15%	10%	5%	9%
Availability of parking	10%	10%	25%	10%	17%	10%	20%	10%	0%	30%	14%
Cheap parking facilities	0%	5%	10%	10%	8%	0%	5%	10%	0%	5%	5%
Ability to own you building	5%	5%	0%	10%	8%	5%	0%	0%	0%	0%	3%
Proximity to executive homes	0%	40%	20%	15%	25%	20%	25%	5%	30%	25%	20%
Proximity to labour supply	5%	25%	20%	10%	25%	20%	15%	0%	35%	0%	15%
High profile of area	10%	10%	0%	20%	8%	5%	0%	0%	30%	5%	9%
Convenience for clients to visit	10%	25%	15%	10%	8%	30%	25%	25%	20%	20%	14%
Proximity to other similar firms	5%	0%	0%	5%	0%	5%	5%	25%	5%	5%	6%
Ease of access to clients	5%	15%	5%	5%	17%	25%	25%	15%	20%	25%	16%
Amenities - recreation	0%	5%	0%	10%	0%	0%	5%	0%	25%	5%	5%
- business services	5%	5%	0%	15%	0%	5%	5%	10%	15%	10%	7%
Other	20%	10%	30%	20%	25%	35%	65%	25%	50%	35%	31%
Main disadvantages of location area											
Traffic congestion	15%	5%	5%	30%	0%	20%	10%	30%	10%	0%	13%
Lack/cost of parking	5%	20%	0%	45%	17%	15%	15%	45%	5%	0%	16%
Poor public transit	15%	0%	10%	0%	0%	10%	5%	5%	5%	5%	6%
Poor access to downtown Toronto-auto	5%	0%	25%	0%	0%	0%	5%	0%	5%	0%	4%
-transit	0%	0%	20%	0%	0%	0%	0%	0%	5%	0%	3%
High rent	5%	15%	5%	10%	0%	0%	0%	15%	15%	15%	8%
Poor retail services	0%	10%	15%	20%	0%	15%	20%	0%	5%	15%	10%
Poor business services	0%	0%	0%	5%	0%	10%	0%	0%	5%	0%	2%
Not near similar businesses	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Distance to clients	5%	0%	0%	5%	0%	0%	0%	0%	5%	0%	2%
Poor building/space	0%	10%	0%	0%	8%	20%	15%	10%	5%	5%	7%
Far from airport	0%	0%	0%	0%	0%	0%	0%	0%	0%	5%	1%
Other	30%	25%	10%	10%	33%	15%	15%	25%	45%	25%	22%

There is very strong likelihood that property taxes will become a much more significant issue in Metro after reassessment occurs. It is likely it have the largest impact of the Central Area which will bear a significant portion of the redistributed taxes.

5. Appearance, Profile And Status

Of the municipally related factors, these scored the highest rating across the whole sample (74%). However three areas, Milliken, Thorncliff/Leaside and King/Spadina had notably lower scores. This is likely because of their older, more industrial character. Somewhat surprisingly, of the often seven areas, North York had the lowest response rate (75%) with regard to the importance of profile and status.

The review of the municipally affected factors shows that, with the exception of those related to appearance and image, which are partly 'motherhood' issues, most are not broadly regarded as being very important. Notwithstanding this, it is clear that to a minority each factor can be very important. For this reason they should be ignored.

E. TRANSPORTATION IS THE KEY LOCATION FACTOR

The final component of the survey explored the positive and negative aspects that organizations find about their locations. The results are shown on Exhibit III.

The overall results show that transportation aspects are seen as the most important location factor. On the positive side, proximity to highways and good public transit were cited most frequently as advantages. Conversely on the negative side, the lack and cost of parking, followed by concerns about traffic congestion were the most frequently noted disadvantages.

EXHIBIT IV

MODAL SPLIT FOR STUDY AREAS

Time: 6:00 - 8:59a.m.
Origin: All
Origin Purpose: All
Destination Purpose: All

Study Area (Destination)	Percentage Modal Split (*)			
	Auto Pers.	Transit	GO Rail	Other
1. North York Centre	70.9%	26.3%	0.0%	2.8%
2. Islington Kipling Centre	69.2%	22.5%	0.1%	8.2%
3. Thorncliffe Park-Leaside	78.3%	15.3%	0.0%	6.4%
4. Parkway-Finch	80.6%	17.4%	0.0%	2.0%
5. Milliken	79.4%	20.6%	0.0%	0.0%
6. King-Spadina	51.2%	43.0%	3.0%	2.7%
7. Rexdale	89.4%	9.2%	0.2%	1.1%
8. Airport-Corporate Centre	94.9%	4.0%	0.0%	1.1%
9. Highway 404-Highway 7	88.3%	9.7%	0.1%	1.9%
10. Mississauga City Centre	82.2%	11.1%	0.0%	6.7%

Source: Transportation Tomorrow Survey (T.T.S.) - 1986

*According to last mode of travel used

Of the non-transportation related factors, low rent was the advantage most often mentioned while poor retail services was the most mentioned disadvantage.

* * * * * *

When asked to provide a overall quality rating of the locations in meeting the needs of the surveyed organizations, the results were overwhelmingly favourable. 52% considered the chosen location to be good and a further 40% considered them to be excellent.

The composite survey results are not however as revealing as the results for individual study area. Each, therefore, deserves special comment and these are discussed in the following section.

F. EACH AREA HAS PARTICULAR STRENGTHS AND WEAKNESSES

The ratings of each study area together with the characteristics and motivations of the organizations that selected them vary significantly. For comparison purposes, the ten areas are considered in two groups; those which are served by rapid transit and those which are primarily automobile oriented. Exhibit IV facing provides the modal split for the morning rush hour period which helps to provide a picture of the transportation context for each area.

1. Rapid Transit Oriented Centres

- North York
- Kipling/Islington
- King/Spadina

a. North York

Organizations have mixed attitudes about the North York area which, in itself, provides an insight into its role. It shares with the two other rapid transit centres a higher than average proportion of organizations in the business services category (50%) and also has the highest proportion of female employees (56%).

While organizations in all the rapid transit centres reported relatively lower proportions of employees who drive to work, those in North York were the more auto oriented of the three. Employee Travel surveys for North York undertaken in 1987 and 1989 do however show an upward trend in transit usage (36.9% vs. 34.0%) and a corresponding downward trend in auto usage (59.5% vs. 61.9%).

The source and motivations of organizations that relocated to the area are particularly interesting. A large component of the relocations were from the Central Area with the remainder moving in from the east and west (see Map in Appendix B). Auto related problems, as well as rent and space availability caused these organizations relocate, but the problems were not entirely solved by the new location. This is shown by the high proportion of complaints about the parking situation (30%) and traffic congestion (45%).

As well, organizations have a concern about the level of retail facilities in the area. This is understandable given that relocators from the Central Area gave up a very high level of retail amenities.

The area was considered excellent by 25% of organizations compared to the average 40% excellent rating that was shown for the ten areas as a whole.

In essence, North York appears to be seen as a viable alternative to the Central Area but, at the same time is not considered to be ideal, particularly from an automobile and amenities standpoint. While both road improvements and retail amenities will be added to in the future, so too will the supply of office space. Thus, it remains to be seen whether the overall level of satisfaction will improve.

b. Kipling/Islington

Survey results for this centre show many of the same characteristics as those for North York. There is a high business services component, a higher than average element of female employees and a significantly lower auto orientation.

What is most interesting about the survey results is that they indicate the area has a high degree of compatibility with the needs of the organizations located there and of their employees.

Notably, proximity to executive homes and labour supply scored high as advantages. The area also scored the second highest "excellent" rating of the ten areas.

Overall, Kipling Islington appears to be seen as a very good choice for that segment of the market that has a bias towards the west end of Metro and a requirement for subway accessability. As such it gets a more positive response than North York which, arguably, is more of a compromise location.

c. King/Spadina

Organizations in the third transit oriented area have highly focused characteristics, being predominately in the business services category (75%). More particularly, they have a focus on marketing, computers, law and real estate services. They also have the highest proportion female employees (55%) and report the lowest auto dependency.

For many organizations in this area, the desire to be in close proximity to organizations with which they interact is very strong. In the case of lawyers, proximity to the courts was very important. Cost is also clearly a factor for these organizations. Thus, King Spadina can be characterised as an economy Core location. However, this economy aspect is seen to be counter balanced by drawbacks as building quality, and the safety and appearance of the area were criticized by some.

While half of the organizations viewed transit to be a good feature of the area, other employee factors (proximity to executives' homes and labour supply) did not appear to be as important as business related factors. On the negative side, respondents viewed the area to be particularly disadvantageous from the point of view of the auto-user.

2. Auto Oriented Areas

a. Thorncliff/Leaside

Thorncliff/Leaside is in many respects similar to King Spadina. It too is an area dominated by small business service type firms including those in advertising, graphics, engineering and architecture. Based on the number of relocations from the Central Area, its popularity would seem to stem from its relative low cost combined with good accessibility to downtown. A further advantage is its reported convenience for executives and employees.

On the negative side is the area's lack of amenities and the relatively poor quality of its buildings. In fact of all the study areas, Thorncliff Leaside has the oldest stock of office space and currently has only one new building under construction. The area nevertheless is an important asset to the Central Area oriented market providing a combination of lower cost space and good auto-oriented access.

b. Parkway Finch

The character of this area is unusual as it is somewhere between that of the centres which are oriented to the Core and those which are wholly suburban in nature.

While it is an auto oriented area, the transit services are also regarded as an important advantage. A large number of the organizations surveyed are attracted to area because of the nearby client base which they seek to serve and by the good accessibility to other areas.

Parkway Finch is therefore probably the best auto oriented office park choice within Metro.

c. Milliken

The results for Milliken are considered somewhat unreliable because of the smaller sample size (13 organizations) and because the area has only a small office component and has not yet developed many identifiable characteristics.

By comparison to the other areas sampled it has smaller organizations (13 employees vs 36 on average) and a higher number of start ups (46% vs 22%). For this reason, the advantage of what is seen as a developing market area was noted by several respondents. Few other aspects were considered but price and convenience to home were mentioned as reasons for the choice.

Overall, the area is regarded as somewhat non descript with few compelling advantages or disadvantages.

d. Highway 404/Highway 7

Respondents from this area covered a surprisingly wide range of business categories including insurance, real estate,consulting and computers. What is not surprising, given its location, is that the vast majority of employees drive to work. The main reasons given for choosing the location included the growing local market, the relative quality of space compared to price, the 'high-tech' atmosphere and the proximity to employees' homes.

Relocators acknowledged that the choice of good quality space at a comparatively low price had been made at the expense of greater remoteness and limited services and amenities.

e. Rexdale

Rexdale is an older, more industrial, airport oriented office area that has recently begun to face competition from the Airport Corporate Centre in Mississauga. Of the organizations in the ten areas surveyed it has the highest manufacturing component (20%) and the lowest level of Canadian ownership (55%).

The base of organizations appears very stable with 60% of the relocators being from the same area. Conversely, it has few start ups (5%). Several respondents did, however, note that the Airport Corporate Centre was a close second choice. Not surprisingly the proximity to the Airport is seen as the key advantage of this area. To its detriment the area is seen as lacking services and is also regarded by respondents as having relatively poor quality space. An aspect of this is undoubtedly the noise and aviation fuel pollution that is a consequence of being close to the airport. The building quality aspect is probably highlighted because of the immediate comparison to the new Airport Corporate Centre. However, Rexdale is seen as superior from the standpoint of public transit.

f. Airport Corporate Centre

This area is perhaps the most archetypical auto oriented office park in the Greater Toronto Area. The reasons given for choosing this location confirm this. As with Rexdale the respondents contained a higher than average element of manufacturing organizations. Because of the area's newness, most of the respondents were also new to the area. Before making the choice a significant number had considered North York and Mississauga City Centre.

Aside from the airport three main advantages were cited for this choice; newness and quality of the buildings, the visibility and image of the area and the comparative value. Low property taxes in Mississauga was cited as another advantage that the area is perceived to offer.

While the overall rating of the area was high, road congestion, poor public transit and the lack of services are seen as disadvantages. Also, aviation fuel pollution was noted by one of the case study organizations.

g. Mississauga City Centre

Mississauga City Centre is considered a hybrid among the areas surveyed as it possesses some of the attributes of Toronto's Central Core even though it is clearly a suburban location. While the mix of respondents is less oriented to business services than elsewhere it does not differ substantially from the average mix of the areas as a whole. It contains a relatively high proportion of new branch offices and 82% of the respondents were new to the area.

The dominant reason given for choosing the location related to the perceived growth of Mississauga as a market in its own right. More specifically the City Centre is seen as the hub of the area and as offering a high level of amenities of all types. A particular advantage is seen to be its convenience for executives and employees.

Perhaps what is most telling about the area is that 70% of organizations rated the area as being excellent. One factor which may reduce the high appeal of Mississauga City Centre in the future is the City's long term plan to increase the proportion of transit commuters to area. Thus, over time a smaller percentage of those working in the Centre will be able to enjoy the convenience of automobile commuting.

The foregoing section has reviewed the results of study research with the exception of the respondent's suggestions concerning changes that could be made in order to increase Metro's appeal to office users. These views are discussed in the final section in conjunction with the study's conclusions and the suggested policy implications.

V CONCLUSIONS AND SUGGESTED POLICY OPTIONS

This section is divided into three parts. The first sets out the conclusions that have been reached from the study. The second summarizes the suggestions that were made by those surveyed to improve the appeal of Metropolitan Toronto's office areas. The third part contains a series of policy implications that could be considered depending upon the broad policy objectives Metro seeks to accomplish.

A. CONCLUSIONS WERE REACHED UNDER FOUR THEMES

Based on results of the surveys, interviews, analysis and other background research, a number of conclusions were reached. These are discussed under the following four headings.

- o Nature of the Tenant Market
- o Significance of Supply and Cost
- o Role of The Surrounding Environment
- o Importance of Linkages

1. <u>The Greater Toronto Area Office Market Is Made Up Of Three User Segments</u>

The first conclusion reached regarding the dynamics of the Greater Toronto Area office market is that, at root, it is comprised of three segments. The most well established is the segment that is tied to the Central Area. The second is focused on newer local sub markets, while the third is essentially regional in nature.

a. The Central Area Oriented Segment

The Central Area segment encompasses both organizations within its defined boundaries as well as numerous other organizations which, while not located in the Central Area, remain allied to it because of ongoing employee and business linkages or prior locational ties. What distinguishes this market segment from others in the Toronto area is the geographic extensiveness of its "reach". For example, it is quite clear that areas such as North York Centre and Thorncliff Leaside are, to a large degree, satellites locations for core oriented organisations. As such these locations meet the needs of organisations that seek a compromise between the advantages that the core offers and its disadvantages including high costs and congestion.

For a significant number of organisations, being tied to the core is not a positive choice but rather a burden caused by the difficulties that would arise from a relocation. Over time however, such organisations gradually loosen their ties with the core and eventually can move to locations that are better suited to their real needs.

b. The Local Submarket Segment

The second segment of the tenant market is made up of organisations that make location choices based upon the internal attractions of a specific area. The most typical organisations that are driven by these types of considerations are in the business services sector and include lawyers, accountants and insurance agents. Some areas, such as those close to the Airport, have unique locational attractions, whereas others such as Markham or King - Spadina have perceived appeal to specialised industries. (High Tech for Markham and Graphics and Media for King - Spadina.)

c. The Regional Segment

The third, and in suburban areas, most important segment, is comprised of organisations whose location choice is influenced less by what an area offers internally than by its ability to serve satisfy space and linkage requirements. However, while organisations in this segment do not start out with a bias towards any particular area and therefore could be regarded as 'footloose', over time as employee linkage patterns become established, their tendency will be to remain in the same location.

What is most important to recognize about the tenant market is that no office area caters exclusively to one particular segment. Each area will contain organizations from one or more of the three market segments, even though it may suit one segment better than others.

2. **Employee And Organizational Linkages Are The Most Important Location Factor**

As was discussed at the beginning of the report, the linkages between an organization, its employees and its business relationships are crucial in location choices. The results of the survey lead to the conclusion that, in most instances, these linkages are the key factor in a location decision. As well, the factors have an ongoing active influence because the linkage qualities of areas can change during the term of a lease when, for example, traffic volumes increase because of additional employment growth. Transportation therefore, must be recognized as the key issue.

For areas outside the Central Core, auto-related aspects of transportation are of the highest significance and are divided into two components, driving and parking. Of the two, parking appears from the survey results to be the larger concern. The converse of the automobile is public transit and the results demonstrated a desire for improved service.

Despite this interest in transit, it is nevertheless evident that while reliance on the automobile will decline as the level of public transit service increases, a large proportion of linkages will always remain tied to the automobile. In fact, as the number of employees living in areas that have poor transit linkages to office locations increases, reliance on the automobile will rise. As well, the increasing dispersion of office employment throughout the region will tend to increase the automobile dependency of organizations' business linkages

3. Location Choices Are Strongly Influenced By Space Related Factors

a. Availability Of Space

The third conclusion reached is that space factors are often as important as location factors. While it is generally perceived that issues of space supply do not play a significant role in space decisions, the results of this study tend to suggest otherwise. In fact the surveys indicated that a high proportion of relocations were in part forced upon organisations because of shortages of appropriate space in preferred locations. While this situation will ebb and flow as demand and supply shift, Metro tends to be in a more disadvantageous position compared to the other suburban areas. This is evidenced by the vacancy levels in suburban areas which are normally higher than in the more established office areas in Metro. The explanations for this situation is complex, however, as industry experts who were consulted pointed out, it is more difficult to find locations to develop in existing areas of Metro because of limited availability of sites and the difficulties of assembly. By comparison, suburban areas generally have a much more ample supply of sites. As a result, space choice is often better in the newer suburbs than in developed areas, particularly for newer and smaller buildings.

b. Municipal Related Space Costs Are Becoming More Significant

The cost of office space in a given location is crucial in most decisions. This is especially true when space availability limitations push organizations to consider new areas. Given that occupancy costs tend to increase the closer a location is to the Central Area, this factor is inherently disadvantageous to locations in Metro. Furthermore this disadvantage is likely to increase in the next few years as the effects of the Province's commercial concentration levy and of the pending reassessment in Metro are felt.

4. Some Local Factors Warrant Consideration

a. Area Amenities Are An Asset But Not An Essential

While the proceeding conclusions relate to market factors which are regional in scope, two issues which have significance at a local area level warrant consideration.

The amenities in an office area are an important location issue at the margin of choice. While ranking behind market segment, linkage, space supply and price factors, the quality of amenities can tilt the balance between two otherwise comparable locations. As well, the ongoing satisfaction or dissatisfaction with an area will be influenced by this factor. Amenities are particularly important to relocating organizations that move from areas with high amenities, a situation that is particulary true for those formerly in the Central Area.

At the same time some organizations prefer areas that do not have a high level of local amenities as they are regarded as distracting to employees.

b. Accommodating Organisations With Mixed Requirements Is Important

A final conclusion is that the segment of the market that needs small elements of non-office space in addition to a predominant requirement for office space is currently not being well served.

Typically, such organizations require space for warehousing. At present, this type of organization tends to be limited to buildings in industrial areas, most of which are designed primarily to accommodate industrial uses. Given the continued blurring between office and industrial activities a better recognition of the planning implications of the changing nature of businesses is therefore warranted.

B. MOST RESPONDENTS'S SUGGESTIONS EMPHASISED TRANSPORTATION FACTORS

Survey respondents were asked for suggestions to help Metro design office area policies. Of the 85 suggestions made, 55 were related to transportation factors. The most frequently mentioned was a desire for improvements in parking (40%), followed closely by the need to improve roads and access, and to reduce congestion (39%). Better public transit service was mentioned as a need by somewhat fewer respondents (21%)

No one non-transportation issue emerged as especially important. However, the need for improved retail and business amenities was mentioned more often than others. The following issues were also noted.

- Property taxes are too high
- More flexibility in zoning is required in mixed use areas.
- More green space and amenities and better quality buildings are desirable.
- Decentralization away from the congestion of downtown should be encouraged.
- Better linkage should be established between housing and offices.
- Office densities are too high for some but too low for others.

These suggestions reinforce the results of the survey and clearly indicate that, above all else, it is the transportation aspects of office areas that are perceived to be in greatest need of attention.

C. THE STUDY RESULTS HAVE Á NUMBER OF POLICY IMPLICATIONS

As the results of the study have indicated, the region's office market dynamics are extremely complex. They involve the interplay between many sub markets and the individual buildings they contain and the demands of space users each of whose varying interests were reflected by the survey opinions. For this reason, it is important to emphasise that the study implications are not clear cut. However, given that linkage issues were identified by respondents as being particularly important and as they also play a large role in Metro's office policies, they are an appropriate framework within which to discuss policy implications.

Some implications are consistent with Metro's existing Office Centres policies, whereas others suggest alternatives. The study results imply that market demands regarding linkages are at variance with Metro's objective of increasing transit given the current level of transit service. Specifically the results have shown that, at a regional level, organisations favour office areas with efficient, comprehensive and flexible transportation linkages. With the exception of the Central Core and to some extent the other rapid transit centres, office areas in the Toronto region do not yet provide transit oriented linkage systems that meet this test. Hence the importance of the automobile and the resulting disadvantages of areas which are congested or are difficult for parking.

Given the ongoing importance of the automobile, Metro's current office policies, which among other objectives emphasise transit ahead of auto oriented improvements, to a degree tend to inhibit the auto oriented space market within Metro. This is not to suggest that growth will be halted but rather that it will affected at the margin and will therefore occur at a somewhat slower rate than might be case if greater weight were placed on

auto-oriented improvements.

Because of these key underlying factors, it is appropriate to discuss the policy implications of the study from the standpoint of three alternative policy scenarios:

- o A transit focused scenario that is largely in keeping with current policies.
- o An alternative scenario that would aim at maximizing Metro's share of the region's office employment growth by increasing office supply and responding more to auto oriented demand.
- o A transitional scenario that would emphasise employment retention while gradually shifting auto dependent areas towards a transit orientation as the regional transit system becomes more comprehensive.

1. Implications For A Transit Focused Policy Scenario

Under this scenario policy would emphasise floorspace and employment growth in transit-oriented centres. The provision of additional parking spaces in these centres would be discouraged as would be the creation of new office parks or the location of additional offices in areas requiring road improvements.

A number of improvements would have to be made to extend this policy into the next few decades.

a) Transit Services

- o Further general improvements should be made to transit services in all office areas with the objective of raising overall efficiency, comprehensiveness and flexibility in order to more effectively compete with the automobile.
- o At a local level, attention should be given to "micro" factors which would improve the appeal of transit. Specific issues which particularly affect bus routes could include:

- Service frequency
- Routings
- Shelters
- Placements of stops

More effort to better understanding the transit needs of specific organisations would also be worthwhile.

o While clearly having a financial consequence, consideration might also be given to overservicing developing areas with transit so as to establish non-auto travel patterns more quickly.

b) **Existing Areas**

o **Rapid Transit Metropolitan Centres**

- Road improvements and additional parking facilities beyond the levels needed to accommodate associated transit objectives should be limited. While this may reduce the appeal of these areas to the broad auto-oriented market, in the long run it will help foster growth of more transit oriented employment.

- Consideration should be given to permitting as high densities as possible within the immediate vicinity of transit stations. In this way, the amount of space within a walking distance comparable to that from a parking space to an office could be maximized.

o **Office Parks**

- Efforts should be made to alleviate as much as possible local traffic congestion and parking shortcomings. However, road improvements that would increase overall automobile capacity should be discouraged.

o **Office Intensification**

Recognising that Metro will be in a better position to retain and expand its office employment base by increasing supply, the option of intensification should be considered within the context of a transit oriented scenario. Specifically:

- Consideration should be given to permitting office space in areas where transit will or could be improved and where existing roads have the capacity to accommodate the related automobile demands.

- Consideration should also be given to permitting additional office space in the immediate vicinity of existing or new subway stations.

Particular regard should be given to areas which could serve as satellite locations to the Central Area. The objective would be to increase the supply of space for organisations that are leaving the core as a price competitive alternative to outer suburban areas.

c) **Ancillary Issues**

Continued efforts should be made to foster additional amenities within Metro's existing office areas and to improve their appearance. Such efforts will help to counterbalance the strong appeal of the newer, more automobile accommodating suburban areas.

Increased efforts should be made to enhance the transit linkages between housing and office locations thus reducing auto-dependency. Initiatives in this regard could be directed towards

- Encouraging more housing in or nearby existing office areas

- Encouraging housing in locations which have superior existing or potential transit linkages to office areas

2. Implications Of Maximizing Metro's Share Of Office Growth

An alternative employment growth share scenario would be designed to provide office environments more in keeping with the demands of an auto oriented market and at the same time to provide additional office locations that would be as competitive as possible with suburban locations outside Metro.

In addition to improving the appearance and amenities in existing areas, pursuit of growth share objectives would have other implications.

- o Considerably greater emphasis would have to be given to better accommodating the requirements of automobile users, particularly those living beyond the Metro boundaries.

- o At the same time, improvements to transit service would also be required, both for users within Metro and for potential users living outside Metro.

- o Strong encouragement would need to be given to maintaining an increased supply of new office space so that a greater range of immediate choice was always available in Metro.

- o Investment would need to be made in improving the appearance of the older office parks in Metro to make them more competitive with newer suburban areas.

- o Consideration would also need to be given to increasing the potential supply of office space by allowing for greater office uses in industrial areas and by raising densities in office areas where road and transit capacities could be increased.

3. <u>Transitional Policy Scenario</u>

This policy scenario would have the objectives of initially catering to the automobile oriented market while gradually shifting to a transit orientation over the long term. In the short to medium term, it would encompass a combination of rapid transit-oriented centres and an increase in the number of auto-related office parks or office-industrial areas. However, the long term goal would be to convert the auto-related office concentrations gradually to primarily transit-oriented centres.

This alternative scenario is based on the observations that:

- . Older office parks have experienced considerable land use intensification over a limited time span; and

- . Labour sheds and modal split are quite fluid.

As far as the latter is concerned, the use of the automobile for the journey to work to the North York Centre is declining as the labour force adjusts to new conditions. This is because organisations do not keep all employees following a relocation and because, over time, other employees adjust their residence patterns.

The gradual conversion of auto-oriented office parks to primarily transit-oriented centres would also be greatly aided by increasing residential uses around these nodes and by the judicious arrangement of public transit facilities. Links designed more to serve local labour markets rather as enhancements to the Metropolitan network could aid this conversion. Other measure such as improving the micro-access to transit stops (e.g. shelters, covered walks, pedestrian bridges) or the provision of buses routes, even if temporarily under-utilized, would also make these nodes more acceptable.

* * * * * *

The central purpose of this study was to obtain a better understanding of how and why organisations choose locations in order to assist those involved in policy to develop new initiatives. The extensive number of interviews that were conducted with organisations of all types and sizes demonstrated very clearly the complexity of a market the size of the Toronto region. As an indication of this complexity, the results showed that organisations prefer not to move, simplify location choices and call upon the most senior levels of management to make the decisions. These decisions attempt to achieve a balance between employee, operational, image and space considerations all within the constrains of supply and price.

While the complexity of the issues requires generalisations to be qualified, a number of conclusion were reached.

- The office market in the Toronto region is comprised of three broad elements, one that is oriented to the Central Core, a second oriented to local submarkets and a third which is more regional in nature.

- Linkages are extremely important to organizations and gave rise to the bulk of the suggestions for improvements that Metro could consider.

- Space factors also play an important role in location choices. Among those identified as being important were factors of availability and cost. To some extent these two factors change over time with the ebbs and flows of the market but,in general, Metro is likely to remain somewhat less attractive from this standpoint.

- Other local factors that municipalities can influence are of importance. In particular, the appearance of an area and the availability of amenities play a role in location decisions. Of specific relevance to municipalities and to organisations with multi use requirements is the availability of appropriately zoned, good quality space.

A number of implications for office policies were presented from the view point of a range of policy positions. The transit oriented scenario clearly emphasized approaches which would be compatible with many of the offices policies currently in place. By comparison, the second scenario which would aim to maintain the current Metro share of the Greater Toronto Office market would require policies that would be difficult to achieve given the inability to substantially increase road capacity in Metro. However, this alternative model serves to illustrate the realities of a market in which Metro's role is changing. A transitional scenario would bridge the other two policy options. While it would not reduce the auto orientation in the short to medium term, it would help to retain a high share of employment growth within Metro and, with continued investment in transit infrastructure, would see a shift to a transit focused market over time.

Increasingly, a share of the Toronto region's economic base is shifting to the areas beyond Metro's boundaries. This factor, coupled with advantages of good space choice, lower occupancy costs, easier automobile access and growing business opportunities is encouraging some organizations to locate there. At the same time, Metro accommodates the largest and still growing number of office employees. This position is secure not only because of the strong ties that inhibit organizations from moving away but also because of the excellence of Metro's linkages, image, services and space.

Thus, while some initiatives are warranted in order to better address the needs of organizations that prefer the types of office areas that Metro can provide, it is impractical for Metro to compete directly for organizations that seek location attributes that are better provided for in the newer suburban areas.

INFORMATION TO THE READER

This study, together with the three previously published reports entitled: The Changing Metropolitan Economy, Centres and Office Areas and Industrial Areas, serves as a background document in the review of policies related to Metropolitan employment areas and economic activities as part of the Metropolitan Plan Review process.

All members of the community are invited to comment on the issues presented in this report. It is hoped that individuals and organizations with particular expertise on matters raised here, will convey their conclusions and concerns from their own perspective. Such information will be considered and reported in the preparation of policy recommendations which will follow.

Submissions should be sent to:

Metropolitan Toronto Planning Department

Policy Development Division

East Tower, 11th Floor

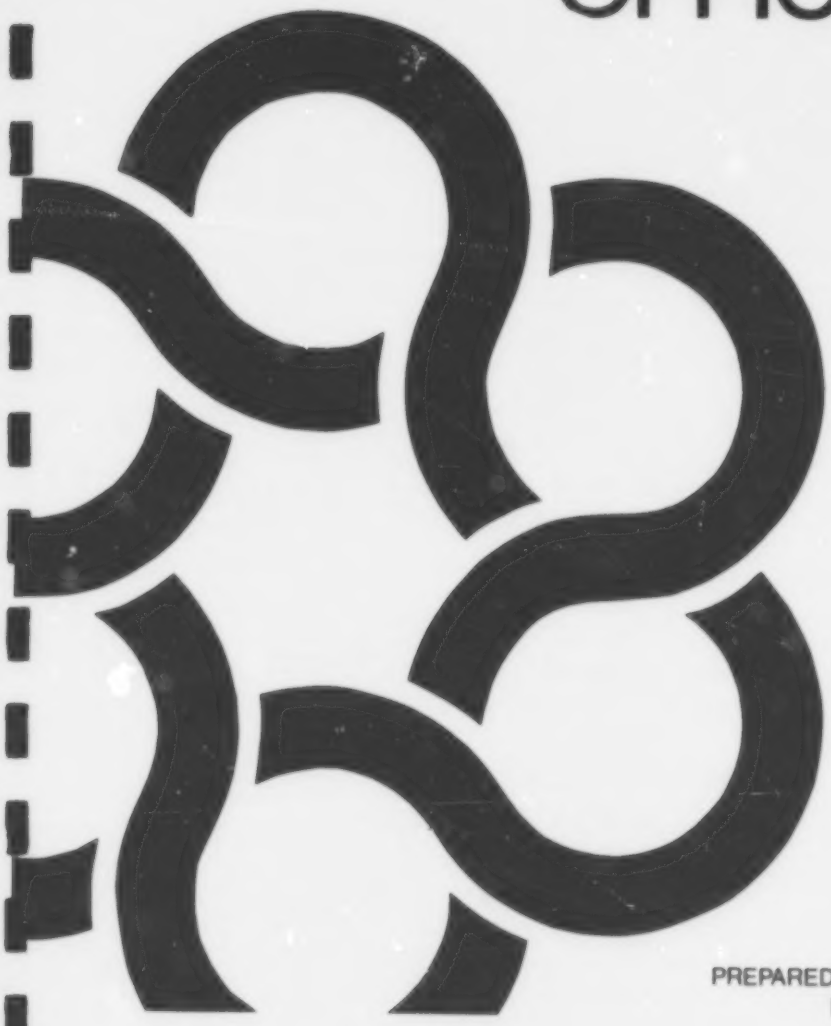
City Hall

Toronto, Ontario

M5H 2N1

REPORT No. 11
1990

DYNAMICS OF THE GREATER TORONTO OFFICE MARKET APPENDIX



PREPARED FOR THE METROPOLITAN TORONTO PLANNING DEPARTMENT BY HEMSON CONSULTING LIMITED

METROPOLITAN PLAN REVIEW

The Municipality of Metropolitan Toronto

Metropolitan Plan Review

Report No. 11

DYNAMICS OF THE GREATER TORONTO OFFICE MARKET: APPENDIX

A background document in the review of
"The Official Plan for the Urban Structure: Metropolitan Toronto"

Prepared for the Metropolitan Planning Department
by Hemson Consulting Limited

1990

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APPENDIX B SURVEY RESULTS, EMPLOYMENT AND FIRM DATA

APPENDIX C CASE STUDIES OF LARGE ESTABLISHMENTS

APPENDIX A

SURVEY QUESTIONNAIRE & METHODOLOGY

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I QUESTIONNAIRE

OFFICE LOCATION DYNAMICS STUDY

Company Name: _____

Location: _____

Office Area: _____

Respondent: _____

Title: _____

Land Use Activity _____

PART A: COMPANY PROFILE

1. What kind of business is your firm engaged in?
   Manufacturing ___ Transportation ___ Communications ___ Construction ___
   Trade - wholesale ___ Trade - retail ___ Finance/Insurance/Real Estate ___
   Business Service (specify) ___ Personal Service (specify) ___ Other ___

2. What is the nationality of your parent firm?
   Canadian ___ U.S. ___ European ___ Asian ___ Other ___

3. What specific type(s) of activity is (are) conducted at this location?
   Management ___ Sales ___ Technical Activities ___ Other (Please specify) ___

4. Approximately how large are your premises?

5. Is all of your space used for offices?
   Yes _____ No _____

6. If not, what other types of uses do you have?

7. Are your premises leased or owned ?
   Owned -Freehold ____ Leased ____
   -Condo ___

8. How many people are employed at this location?
   Full time ___ Part time ___ Total ___

9. What is the approximate distribution between males and females?
   Male ___ Female ___

10. What is the approximate breakdown between the following types of employees?
    Management ___% Clerical ___% Technical ___% Other ___%

11. About what proportion of employees drive to work?
    Less than 25% ___ 25% - 50% ___ 50% - 75% ___ 75% plus ____

12. Does your company have other locations? If so, where are they located and what is their function in your corporate structure.

13. How important is it for this office to be easily accessible for visitors?

	Comments
not important	___
somewhat important	___
very important	___

14. To what extent does this operation depend on meetings which are held outside of your office?

	Comments
not at all	___
somewhat	___
considerably	___

PART B: RELOCATION OR START-UP OF YOUR OFFICE

15. How long has the office been at this location?
    Less than 1 year ___ 1-3 years ___ Over 3 years ____

16. Who was (were) the key decision maker(s) in the office selection process?
board of directors ____ chief executive officer ____ personnel director ____ other (specify) ____

17. Where was the location decision made?
in house ____ elsewhere in organization ____
(e.g. head office)

18. How did your firm go about finding this office space?
used a real estate broker ____ conducted in house research ____ commissioned a location study ____
reviewed newspaper ads ____ drove around ____
consulted local planning/economic development dept. (specify) ____ other ____

19. Which of the following best describes the reason for establishing this office?
Relocation of an existing office? _____ New branch office? _____ (skip to q. 24)
Space for a new company? _____ (skip to q. 24)

20. What triggered the need to find the new office?
Lease on previous space expired _____ Needed more space _____ Other (please specify) _____

21. Where was the previous location? (Address, nearest intersection)

IF PREVIOUS LOCATION WAS NEARBY:

22. Did your firm seriously consider moving to a different area?
Yes _____ No _____
If yes, where else was considered and why rejected?

If no, why not?

IF PREVIOUS LOCATION WAS FROM A DIFFERENT AREA:

23. Why didn't your firm stay in the previous area? (If possible, please place in order of priority.)

lack of sufficient parking	____
high parking costs	____
traffic congestion (specify type)	____
poor highway accessibility	____
poor/lack of public transit	____
inadequate supply of space in previous location	____
high rental rates	____
labour shortage	____
not close to executives' homes	____
not close to clients	____
other (please specify)	____

24. What key criteria did your new location need to meet?

Building	Location	Other

25. Did you consider locating in any of the following areas?

	Considered: why rejected?	Not considered: Why?
downtown Toronto core		
area adjacent to core e.g.: King/Spadina, or Yonge/Bloor		
other Toronto office centres (St. Clair, Eglinton etc)		
Suburban office centres, e.g. North York, Scarborough		
other office areas in Metro, e.g. office parks		
industrial areas in Metro		
office centres outside Metro, e.g. Miss. Centre, Meadowvale, Hwy 404/Hwy 7		

26. How important were the following in your location decision?

	Not Considered	Some Importance	Quite Important
location in Metro Municipal Boundaries			
assistance from municipal staff			
community profile/ information brochures			
zoning regulations			
general appearance of area (streetscape, landscaping, etc.)			
profile or status of area			
property/business tax			

PART C: YOUR NEW LOCATION

27. What are the main advantages of your location in this area?

low office rents	___
proximity to highway	___
good public transit	___
proximity to Airport	___
proximity to downtown Toronto	___
availability of parking	___
cheap parking facilities	___
ability to own your building	___
proximity to executive homes	___
proximity to labour supply	___
high profile of area	___
convenience for clients to visit	___
proximity to other similar firms	___
ease of access to clients	___
amenities	
- recreation	___
- business services	___
other	___

28. What are the main disadvantages of the area that you are now located in?

traffic congestion	___
lack/cost of parking	___
poor public transit	___
poor access to downtown Toronto	
- auto	___
- public transit	___
high rent	___
poor retail services	___
poor business services	___
not near similar businesses	___
distance to clients	___
poor building/space	___
far from airport	___
other	___

29. How would you rate the area in meeting your firm's needs?
poor ____ fair ____ good ____ excellent ____

30. Do you have any further comments which could help Metro in designing policies for office areas?

B. SURVEY METHODOLOGY

o Questionnaire And Selection Of Study Areas

. The questionnaire was designed in consultation between the Metropolitan Toronto Planning Department and the consultants.

. The ten study areas were selected by Metro Planning and the consultants. After extensive discussion and analysis, it is agreed that the chosen study areas provide a good cross-section of the types of office areas in the region.

. It was agreed that the Central Core be excluded as a study area. This conclusion was based on two reasons. One, an extensive amount of existing information and knowledge regarding the Central core already exists. Secondly, the Central Core has a total of 6.6 million square metres of office space (built and under construction)[1], and a sample of twenty organizations would be insufficient to adequately represent the Central Core office market.

o The Broad Survey Sample

. Sample Selection

- Twenty responses were obtained in each area with the exception of Milliken where it was only possible to obtain responses from thirteen organizations.

- Using the Metro Employment Survey, a list of organizations that had recently relocated was identified. A sample was drawn from this list of organizations from the various sectors represented in each area.

- For the Mississauga City Centre and the Airport Corporate Centre, the Mississauga business directory was used to select the sample.

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[1] *Source: City of Toronto, Land Use Committee Report No. 20, Sept. 7, 1989.*

- The sample for the Highway 404/7 study area was selected through a cross reference analysis of the region's data base and the Hemson Office Data Base.

. Due to the limited number of firms in the Metro Employment Survey for Rexdale, Milliken, and Parkway/Finch study areas,, a physical survey of office buildings in these areas was made in order to obtain an adequate sample. However, due to a low supply of office space in the Milliken study area, only thirteen representative firms qualified for the sample.

. The sample used is considered to provide a good cross-section of relocators in each area. It was selected recognizing the existing mix of sectors as well as the sectors experiencing recent growth. A slight bias was given to ensuring where possible that some large firms were included in the sample. No government organizations were sampled.

o **Survey Summary Results**

. The percentage calculations for the survey summary results are based on the ratio of the number of responses per question to the total sample size for the respective area.

. For questions with the option of multiple responses, the total response may be greater than 100% of the representative sample. In isolated instances where respondents were unable to provide answers, the total response is less than 100%.

. Summary results for questions 20 through to 23 are based on the total number of relocators (question 19) for the respective study area.

. Relocators qualified for either question 22 (relocators who relocated in the same area) or question 23 (relocators who relocated to a different area). Although total respondents for each question are a percentage of total relocators (question 19), the response particular to question 22 and 23 are percentages of the total number of firms who qualified for that respective question.

APPENDIX B

SURVEY RESULTS
& AREA PROFILES

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SURVEY RESULTS AND AREA PROFILES

This appendix is divided into eleven sections. The first section contains a table (B1) showing the comparative survey results for the ten areas and for the sample as a whole. It also contains comparative tables showing total employment and firm data for the areas in Metro. Finally, it includes a table showing the space inventory and rental data for the study area.

The following ten sections are study area profiles. Each contains:

I LOCATION DESCRIPTIONS

These outline the study areas' physical boundaries, public transit access, predominant existing land uses, existing office space, and Official Plan designation. The location description also includes a map of the study area's boundaries and situation in Metro Toronto.

II EMPLOYMENT GROWTH AND STRUCTURE

The summaries include detailed employment data by land use activity code (LUAC) from 1983 to 1988 for both total employment and total office employment along with a general descriptive analysis of employment growth and structure. Due to limited historic employment data for the Mississauga City Centre, the Airport Corporate Centre, and the Highway 404/7 study areas, detailed historic employment data by LUAC could not be provided for these areas. Nonetheless, general employment characteristics based on previous studies and analysis are discussed.

III SURVEY RESULT SUMMARIES

These give a general overview and comparative analysis reflecting survey findings. Major factors considered in this summary include characteristics of surveyed firms, location factors, advantages and disadvantages. It also contains a map demonstrating the origin of organizations that relocated to the area.

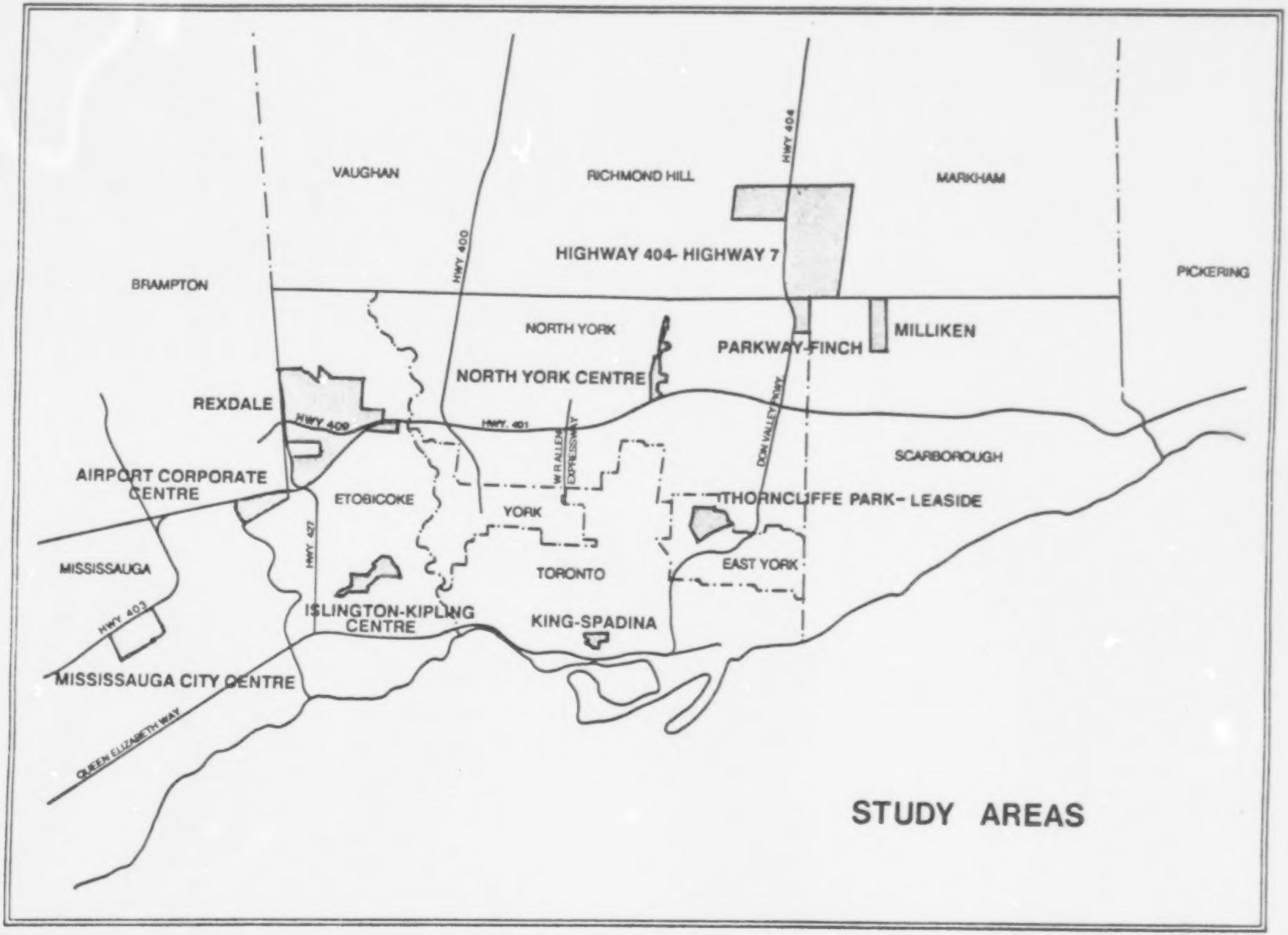
VAUGHAN
RICHMOND HILL
MARKHAM
HWY 404
HWY 400
HIGHWAY 404- HIGHWAY 7
BRAMPTON
PICKERING
NORTH YORK
MILLIKEN
PARKWAY-FINCH
NORTH YORK CENTRE
REXDALE
HWY 400
HWY. 401
W.R.ALLEN EXPRESSWAY
DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
YORK
THORNCLIFFE PARK- LEASIDE
HWY 427
MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
STUDY AREAS

EXHIBIT B - 1

BROAD SURVEY RESULTS

	ACC	I/K/B	404/7	NYC	MIL	REX	T/L	K/S	MCC	P/F	TOTAL
Number of Responses	20	20	20	20	13	20	20	20	20	20	193
PART A: ORGANIZATION PROFILE											
1. Type of business											
Manufacturing	15%	5%	10%	10%	0%	20%	0%	0%	10%	5%	8%
Transportation	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Communication	0%	0%	0%	0%	0%	0%	5%	5%	0%	0%	1%
Construction	10%	5%	10%	0%	17%	5%	0%	0%	10%	0%	5%
Trade - wholesale	10%	5%	0%	0%	0%	5%	5%	0%	0%	10%	4%
- retail	15%	15%	0%	5%	0%	15%	0%	0%	10%	0%	6%
FIRE	15%	15%	35%	25%	33%	20%	15%	15%	30%	40%	23%
Business Services	30%	55%	40%	50%	17%	25%	35%	75%	35%	44%	41%
Personal Services	0%	0%	0%	5%	0%	5%	0%	0%	0%	0%	1%
Other	10%	0%	15%	5%	33%	20%	40%	5%	5%	1%	14%
2. Nationality of parent											
Canadian	75%	85%	80%	65%	83%	55%	95%	100%	65%	70%	77%
U.S.	15%	15%	15%	20%	8%	20%	5%	0%	30%	10%	14%
European	10%	0%	5%	15%	8%	20%	0%	0%	5%	10%	7%
Asian	0%	0%	0%	0%	8%	0%	0%	0%	0%	5%	1%
Other	0%	0%	0%	0%	0%	5%	0%	0%	0%	5%	1%
3. Types of activities											
Management	70%	90%	75%	70%	58%	60%	50%	45%	85%	65%	67%
Sales	60%	60%	75%	50%	67%	60%	50%	50%	65%	60%	59%
Tech. Services	45%	15%	40%	25%	33%	35%	55%	40%	30%	30%	35%
Other	30%	20%	25%	40%	8%	35%	15%	25%	30%	10%	25%
4. Total square feet	749650	60465	241700	166025	28800	272100	88200	70100	126790	220822	2023852
5. Proportion of office space	55%	90%	85%	100%	67%	70%	90%	95%	100%	95%	85%
7. Type of tenure											
Owned - freehold	20%	5%	10%	5%	17%	10%	0%	0%	5%	0%	7%
Leased	80%	95%	90%	95%	83%	90%	100%	100%	95%	100%	93%
8. Number of employees											
Full-time	1338	370	1182	687	140	870	341	322	517	852	6634
Part-time	75	45	5	162	30	20	0	27	2	3	369
Total	1413	415	1187	749	170	890	341	349	519	855	7003
9.Male/female distribution											
Males	54%	49%	53%	44%	55%	58%	57%	45%	55%	58%	53%
Females	46%	51%	47%	56%	45%	42%	43%	55%	45%	42%	47%

*Percentages may not necessarily add to 100.

	ACC	I/K/B	404/7	NYC	NIL	REX	T/L	K/S	NCC	P/F	TOTAL
10. Types of employees											
Management	21%	27%	21%	37%	38%	25%	26%	38%	33%	30%	30%
Clerical	35%	26%	29%	30%	27%	26%	17%	16%	32%	23%	26%
Technical	29%	15%	22%	11%	25%	30%	38%	29%	21%	17%	24%
Other	15%	32%	28%	18%	10%	17%	15%	16%	15%	25%	20%
11. Proportion of employees who drive to work											
Less than 25%	0%	10%	0%	5%	0%	0%	5%	45%	0%	0%	7%
25% - 50%	0%	30%	0%	30%	0%	0%	5%	25%	5%	10%	11%
50% - 75%	15%	15%	5%	15%	0%	0%	40%	10%	10%	15%	14%
75% plus	85%	45%	95%	50%	100%	100%	50%	20%	85%	75%	68%
13. Importance of visitor access											
Not important	5%	25%	5%	10%	25%	20%	5%	5%	15%	15%	13%
Somewhat important	15%	10%	25%	30%	17%	15%	25%	20%	15%	20%	19%
Very important	80%	65%	70%	60%	58%	65%	70%	75%	70%	65%	68%
14. Dependence on outside meetings											
Not at all	10%	35%	0%	30%	17%	15%	5%	20%	5%	30%	17%
Somewhat	45%	10%	35%	20%	25%	35%	35%	45%	35%	50%	33%
Considerable	45%	55%	65%	50%	58%	50%	60%	35%	60%	20%	50%
PART B: LOCATION DECISION BACKGROUND											
15. No. of yrs. at present location											
Less than 1 year	0%	5%	5%	5%	0%	5%	5%	5%	15%	15%	6%
1-3 years	75%	45%	75%	85%	67%	75%	65%	80%	80%	70%	71%
Over 3 years	25%	50%	20%	10%	33%	20%	30%	15%	5%	15%	22%
16. Key location decision maker(s)											
Board of directors	15%	0%	25%	10%	8%	20%	20%	0%	10%	15%	14%
Chief executive officer	35%	60%	55%	45%	67%	50%	60%	45%	40%	65%	52%
Other	50%	40%	15%	45%	25%	30%	20%	55%	50%	15%	34%
17. Source of location decision											
In house	90%	85%	90%	90%	75%	90%	100%	90%	85%	90%	90%
Elsewhere in organization	10%	15%	10%	10%	25%	10%	0%	10%	15%	10%	10%
18. Method used for finding space											
Used a real estate broker	60%	35%	55%	20%	25%	50%	40%	25%	45%	65%	42%
Conducted in house research	55%	60%	40%	45%	33%	50%	50%	45%	40%	60%	48%
Commissioned a location study	0%	0%	0%	0%	0%	0%	0%	0%	5%	0%	1%
Reviewed newspaper ads	0%	0%	0%	5%	8%	5%	0%	0%	0%	0%	2%
Drove around	0%	20%	25%	5%	0%	10%	5%	5%	5%	5%	9%
Consulted local planning/ economic develop. dept.	5%	5%	5%	10%	8%	15%	5%	5%	0%	0%	6%

*Percentages may not necessarily add to 100.

	ACC	I/K/B	404/7	NYC	MIL	REX	T/L	K/S	MCC	P/F	TOTAL
19. Reason for establishing office											
Relocation of an existing office	80%	60%	85%	80%	54%	75%	65%	65%	55%	65%	67%
New branch office	5%	5%	5%	10%	0%	20%	0%	5%	25%	20%	11%
Space for a new company	15%	35%	10%	10%	46%	5%	35%	30%	20%	15%	22%
20. What triggered need to find the new office											
Lease on previous space expired	13%	25%	6%	19%	0%	25%	8%	8%	0%	8%	12%
Needed more space	69%	58%	94%	75%	71%	53%	77%	69%	45%	67%	71%
Other	31%	25%	0%	38%	57%	33%	31%	31%	55%	33%	31%
22. Previous location - same area	25%	42%	53%	50%	14%	60%	38%	69%	18%	46%	11%
- other area	75%	58%	47%	50%	86%	40%	42%	31%	82%	54%	89%
23. Reasons for leaving previous area: Relocators Only											
Lack of sufficient parking	8%	0%	0%	38%	0%	17%	13%	0%	0%	0%	9%
High parking costs	0%	0%	13%	25%	0%	0%	0%	0%	0%	14%	6%
Traffic congestion	8%	14%	0%	25%	0%	17%	13%	0%	22%	14%	14%
Poor highway accessibility	0%	0%	13%	38%	0%	17%	0%	25%	0%	14%	9%
Poor/lack of public transit	0%	14%	0%	0%	0%	0%	0%	25%	0%	0%	3%
Inadequate supply of space	17%	14%	50%	88%	17%	17%	38%	25%	11%	14%	32%
High rental rates	8%	0%	50%	25%	17%	17%	38%	0%	0%	71%	24%
Labour shortage	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Not close to executives' homes	0%	0%	0%	13%	0%	0%	0%	0%	22%	0%	5%
Not close to clients	0%	0%	13%	0%	0%	0%	13%	0%	33%	14%	9%
Other	92%	29%	38%	38%	50%	100%	63%	50%	89%	29%	65%
25. Other locations considered											
Downtown Toronto core	5%	20%	0%	15%	0%	0%	5%	10%	0%	5%	5%
Area adjacent to core	5%	10%	0%	5%	0%	0%	10%	5%	0%	10%	4%
Other Toronto office centres(St. Clair, Eglin., etc)	5%	0%	0%	25%	8%	0%	30%	15%	5%	35%	9%
Suburban office centres (eg. North York, Scarb.)	25%	10%	15%	15%	17%	10%	25%	10%	10%	0%	17%
Other office areas in Metro (eg. office parks)	10%	0%	0%	5%	0%	0%	10%	0%	5%	0%	3%
Industrial areas in Metro	20%	0%	0%	5%	0%	10%	0%	0%	0%	0%	4%
Office centres outside Metro	35%	10%	0%	10%	0%	30%	5%	5%	30%	25%	16%
26. Importance of Municipal factors											
Location in Metro Municipal boundaries	20%	85%	0%	50%	75%	45%	70%	90%	0%	50%	47%
Assistance from municipal staff	5%	5%	15%	20%	0%	20%	15%	15%	5%	0%	11%
Community profile/information brochures	30%	10%	30%	15%	8%	35%	0%	5%	20%	20%	18%
Zoning regulations	35%	25%	25%	20%	25%	20%	25%	25%	10%	5%	21%
General appearance of area	95%	100%	70%	80%	50%	80%	50%	65%	75%	80%	74%
Profile or status of area	100%	85%	80%	75%	58%	80%	35%	60%	85%	80%	74%
Property/business tax	60%	30%	35%	35%	33%	60%	35%	5%	20%	50%	40%

*Percentages may not necessarily add to 100.

	ACC	I/K/B	404/7	NYC	NIL	REX	T/L	K/S	MCC	P/F	TOTAL
PART C: NEW LOCATION COMMENTS											
27. Main advantages of location area											
Low office rents	20%	15%	25%	25%	0%	15%	25%	25%	15%	30%	20%
Proximity to highway	60%	40%	60%	50%	25%	65%	70%	25%	50%	75%	53%
Good public transit	5%	65%	10%	85%	8%	15%	25%	50%	30%	40%	34%
Proximity to Airport	80%	15%	0%	5%	0%	70%	0%	0%	30%	0%	21%
Proximity to downtown Toronto	5%	5%	5%	15%	0%	5%	30%	15%	10%	5%	9%
Availability of parking	10%	10%	25%	10%	17%	10%	20%	10%	0%	30%	14%
Cheap parking facilities	0%	5%	10%	10%	8%	0%	5%	10%	0%	5%	5%
Ability to own you building	5%	5%	0%	10%	8%	5%	0%	0%	0%	0%	3%
Proximity to executive homes	0%	40%	20%	15%	25%	20%	25%	5%	30%	25%	20%
Proximity to labour supply	5%	25%	20%	10%	25%	20%	15%	0%	35%	0%	15%
High profile of area	10%	10%	0%	20%	8%	5%	0%	0%	30%	5%	9%
Convenience for clients to visit	10%	25%	15%	10%	8%	30%	25%	25%	20%	20%	14%
Proximity to other similar firms	5%	0%	0%	5%	0%	5%	5%	25%	5%	5%	6%
Ease of access to clients	5%	15%	5%	5%	17%	25%	25%	15%	20%	25%	16%
Amenities - recreation	0%	5%	0%	10%	0%	0%	5%	0%	25%	5%	5%
- business services	5%	5%	0%	15%	0%	5%	5%	10%	15%	10%	7%
Other	20%	10%	30%	20%	25%	35%	65%	25%	50%	35%	31%
28. Main disadvantages of location area											
Traffic congestion	15%	5%	5%	30%	0%	20%	10%	30%	10%	0%	13%
Lack/cost of parking	5%	20%	0%	45%	17%	15%	15%	45%	5%	0%	16%
Poor public transit	15%	0%	10%	0%	0%	10%	5%	5%	5%	5%	6%
Poor access to downtown Toronto-auto	5%	0%	25%	0%	0%	0%	5%	0%	5%	0%	4%
-transit	0%	0%	20%	0%	0%	0%	0%	0%	5%	0%	3%
High rent	5%	15%	5%	10%	0%	0%	0%	15%	15%	15%	8%
Poor retail services	0%	10%	15%	20%	0%	15%	20%	0%	5%	15%	10%
Poor business services	0%	0%	0%	5%	0%	10%	0%	0%	5%	0%	2%
Not near similar businesses	5%	0%	0%	0%	0%	0%	0%	0%	0%	0%	1%
Distance to clients	5%	0%	0%	5%	0%	0%	0%	0%	5%	0%	2%
Poor building/space	0%	10%	0%	0%	8%	20%	15%	10%	5%	5%	7%
Far from airport	0%	0%	0%	0%	0%	0%	0%	0%	0%	5%	1%
Other	30%	25%	10%	10%	33%	15%	15%	25%	45%	25%	22%
29. Rating of area											
Poor	0%	0%	0%	0%	0%	5%	0%	0%	0%	0%	1%
Fair	5%	5%	0%	5%	10%	5%	10%	15%	5%	5%	6%
Good	45%	40%	65%	70%	58%	50%	70%	50%	25%	55%	52%
Excellent	50%	55%	35%	25%	32%	40%	20%	35%	70%	40%	40%

*Percentages may not necessarily add to 100.

1988 TOTAL EMPLOYMENT

	MIL		K/S		T/L		P/F		NYC		I/K/B		REX	
	Emp.	Dist	Emp.	Dist.	Emp.	Dist.	Emp.	Dist.	Emp.	Dist.	Emp.	Dist.	Emp.	Dist.
Manufacturing	1,099	37.9%	5,751	30.1%	4,971	37.2%	705	8.6%	64	.3%	412	3.5%	15,267	40.9%
Ter/St/Tr*	141	4.9%	293	1.5%	611	4.6%	101	1.2%	59	.3%	258	2.2%	3,433	9.2%
Retail - Shop	200	6.9%	2,053	10.7%	1,173	8.8%	292	3.6%	1,571	7.0%	1,111	9.3%	2,213	5.9%
Retail - Serv	212	7.3%	1,975	10.3%	706	5.3%	407	5.0%	1,573	7.0%	1,237	10.4%	1,932	5.2%
Services/Accessories	0	.0%	28	.1%	62	.5%	0	.0%	145	.6%	5	.0%	1,152	3.1%
Office - Government	0	.0%	36	.2%	1,507	11.3%	77	.9%	6,249	28.0%	499	4.2%	3	.0%
Office - Other	1,229	42.4%	8,617	45.1%	3,992	29.9%	6,488	79.3%	11,644	52.1%	7,342	61.6%	11,588	31.0%
Institutional	16	.6%	212	1.1%	196	1.5%	87	1.1%	448	2.0%	868	7.3%	519	1.4%
Recreational	0	.0%	104	.5%	132	1.0%	24	.3%	244	1.1%	109	.9%	1,226	3.3%
Const/Other	0	.0%	41	.2%	0	.0%	0	.0%	331	1.5%	85	.7%	27	.1%
TOTAL	2,897	100.0%	19,110	100.0%	13,350	100.0%	8,181	100.0%	22,328	100.0%	11,926	100.0%	37,360	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Employment Survey, Metropolitan Toronto Planning Department

1988 TOTAL FIRMS

	MIL		K/S		T/L		P/F		NYC		I/K/B		REX	
	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist.
Manufacturing	55	24.2%	337	19.9%	89	17.0%	20	7.9%	13	1.3%	42	5.2%	265	25.9%
Ter/St/Tr*	16	7.0%	48	2.8%	18	3.4%	5	2.0%	13	1.3%	8	1.0%	72	7.0%
Retail - Shop	29	12.8%	289	17.1%	96	18.4%	44	17.5%	199	19.3%	149	18.5%	132	12.9%
Retail - Serv	27	11.9%	147	8.7%	80	15.3%	21	8.3%	189	18.3%	177	22.0%	119	11.6%
Services/Accessories	0	.0%	2	.1%	1	.2%	0	.0%	3	.3%	1	.1%	7	.7%
Office - Government	0	.0%	4	.2%	9	1.7%	1	.4%	24	2.3%	16	2.0%	1	.1%
Office - Other	96	42.3%	825	48.8%	216	41.3%	157	62.3%	541	52.5%	370	45.9%	413	40.4%
Institutional	4	1.8%	15	.9%	9	1.7%	3	1.2%	29	2.8%	28	3.5%	5	.5%
Recreational	0	.0%	23	1.4%	5	1.0%	1	.4%	12	1.2%	11	1.4%	4	.4%
Const/Other	0	.0%	2	.1%	0	.0%	0	.0%	7	.7%	4	.5%	4	.4%
TOTAL	227	100.0%	1,692	100.0%	523	100.0%	252	100.0%	1,030	100.0%	806	100.0%	1,022	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Employment Survey, Metropolitan Toronto Planning Department

1988 TOTAL OFFICE EMPLOYMENT

	MIL		K/S		T/L		P/F		NYC		I/K/B		REX	
	Emp.	Dist	Emp.	Dist.	Emp.	Dist	Emp.	Dist.	Emp.	Dist.	Emp.	Dist.	Emp.	Dist.
Primary	0	.0%	43	.5%	40	.7%	802	12.2%	1,244	7.0%	16	.2%	66	.6%
Manufacturing	25	2.0%	114	1.3%	1,160	21.1%	673	10.3%	798	4.5%	606	7.7%	3,595	31.0%
Transport./Const.	819	66.6%	135	1.6%	412	7.5%	394	6.0%	635	3.5%	3,496	44.6%	1,170	10.1%
Bank	0	.0%	241	2.8%	129	2.3%	48	.7%	614	3.4%	592	7.6%	168	1.4%
FIRE	7	.6%	812	9.4%	229	4.2%	420	6.4%	2,087	11.7%	657	8.4%	529	4.6%
Law	0	.0%	198	2.3%	6	.1%	15	.2%	383	2.1%	80	1.0%	131	1.1%
Other Bus. Services	171	13.9%	2,389	27.6%	803	14.6%	1,935	29.5%	3,293	18.4%	1,075	13.7%	2,077	17.9%
Technical Services	53	4.3%	933	10.8%	122	2.2%	813	12.4%	284	1.6%	101	1.3%	783	6.8%
Radio/TV/Film	0	.0%	771	8.9%	24	.4%	5	.1%	22	.1%	4	.1%	6	.1%
Books/Periodicals	19	1.5%	1,603	18.5%	129	2.3%	118	1.8%	701	3.9%	31	.4%	378	3.3%
Trade & Personal Services	86	7.0%	1,071	12.4%	444	8.1%	1,010	15.4%	726	4.1%	96	1.2%	2,385	20.6%
Doctors	39	3.2%	7	.1%	33	.6%	70	1.1%	174	1.0%	281	3.6%	10	.1%
Other Health	6	.5%	0	.0%	218	4.0%	2	.0%	301	1.7%	213	2.7%	116	1.0%
Federal & Foreign	0	.0%	9	.1%	9	.2%	77	1.2%	3,708	20.7%	286	3.6%	3	.0%
Provincial	0	.0%	7	.1%	1,464	26.6%	0	.0%	915	5.1%	165	2.1%	0	.0%
Regional & Local	0	.0%	20	.2%	34	.6%	0	.0%	1,626	9.1%	48	.6%	0	.0%
Associations	4	.3%	300	3.5%	243	4.4%	183	2.8%	382	2.1%	94	1.2%	174	1.5%
TOTAL	1,229	100.0%	8,653	100.0%	5,499	100.0%	6,565	100.0%	17,893	100.0%	7,841	100.0%	11,591	100.0%

Source: Metro Employment Survey, Metropolitan Toronto Planning Department

1988 TOTAL OFFICE FIRMS

	MIL		K/S		T/L		P/F		NYC		I/K/B		REX	
	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist.	Firms	Dist	Firms	Dist.
Primary	0	.0%	7	.8%	1	.4%	2	1.3%	3	.5%	1	.3%	5	1.2%
Manufacturing	2	2.1%	8	1.0%	14	6.2%	6	3.8%	4	.7%	4	1.0%	63	15.2%
Transport./Const.	32	33.3%	16	1.9%	16	7.1%	11	7.0%	31	5.5%	31	8.0%	57	13.8%
Bank	0	.0%	12	1.4%	7	3.1%	5	3.2%	31	5.5%	11	2.8%	7	1.7%
FIRE	3	3.1%	45	5.4%	14	6.2%	20	12.7%	114	20.2%	65	16.8%	35	8.5%
Law	0	.0%	25	3.0%	2	.9%	2	1.3%	55	9.7%	25	6.5%	7	1.7%
Other Bus. Services	17	17.7%	307	37.0%	81	36.0%	45	28.5%	172	30.4%	80	20.7%	110	26.6%
Technical Services	6	6.3%	60	7.2%	23	10.2%	21	13.3%	18	3.2%	11	2.8%	33	8.0%
Radio/TV/Film	0	.0%	32	3.9%	3	1.3%	1	.6%	2	.4%	1	.3%	1	.2%
Books/Periodicals	3	3.1%	81	9.8%	9	4.0%	3	1.9%	5	.9%	4	1.0%	10	2.4%
Trade & Personal Services	20	20.8%	197	23.8%	16	7.1%	28	17.7%	23	4.1%	18	4.7%	66	15.9%
Doctors	11	11.5%	2	.2%	10	4.4%	4	2.5%	38	6.7%	73	18.9%	2	.5%
Other Health	1	1.0%	0	.0%	9	4.0%	1	.6%	30	5.3%	33	8.5%	4	1.0%
Federal & Foreign	0	.0%	1	.1%	1	.4%	1	.6%	5	.9%	6	1.6%	1	.2%
Provincial	0	.0%	1	.1%	6	2.7%	0	.0%	11	1.9%	6	1.6%	0	.0%
Regional & Local	0	.0%	2	.2%	2	.9%	0	.0%	8	1.4%	4	1.0%	0	.0%
Associations	1	1.0%	33	4.0%	11	4.9%	8	5.1%	15	2.7%	13	3.4%	13	3.1%
TOTAL	96	100.0%	829	100.0%	225	100.0%	158	100.0%	565	100.0%	386	100.0%	414	100.0%

Source: Metro Employment Survey, Metropolitan Toronto Planning Department

EXHIBIT B - 2

SUMMARY OF OFFICE INVENTORIES

	Total Space (000's Sq.Ft.)	Gross Rent[1]	Total Expenses
Airport Corporate Centre	863	$ 24.75	$ 7.50
Islington/Kipling/ Bloor	926	$ 28.25	$ 9.50
Highway 404/7	1,653	$ 19.50	$ 5.50
North York Centre	4,584	$ 39.00	$ 15.00
Milliken	144	$ 18.00[2]	$ 6.00
Rexdale	1,123	$ 23.50	$ 7.50
Thorncliffe/ Leaside	954	$ 24.00	$ 7.50
King/Spadina	2,340	$ 35.50	$ 11.00
Mississauga City Centre	2,295	$ 25.50	$ 7.55
Parkway/Finch	1,380	$ 24.75	$ 9.25

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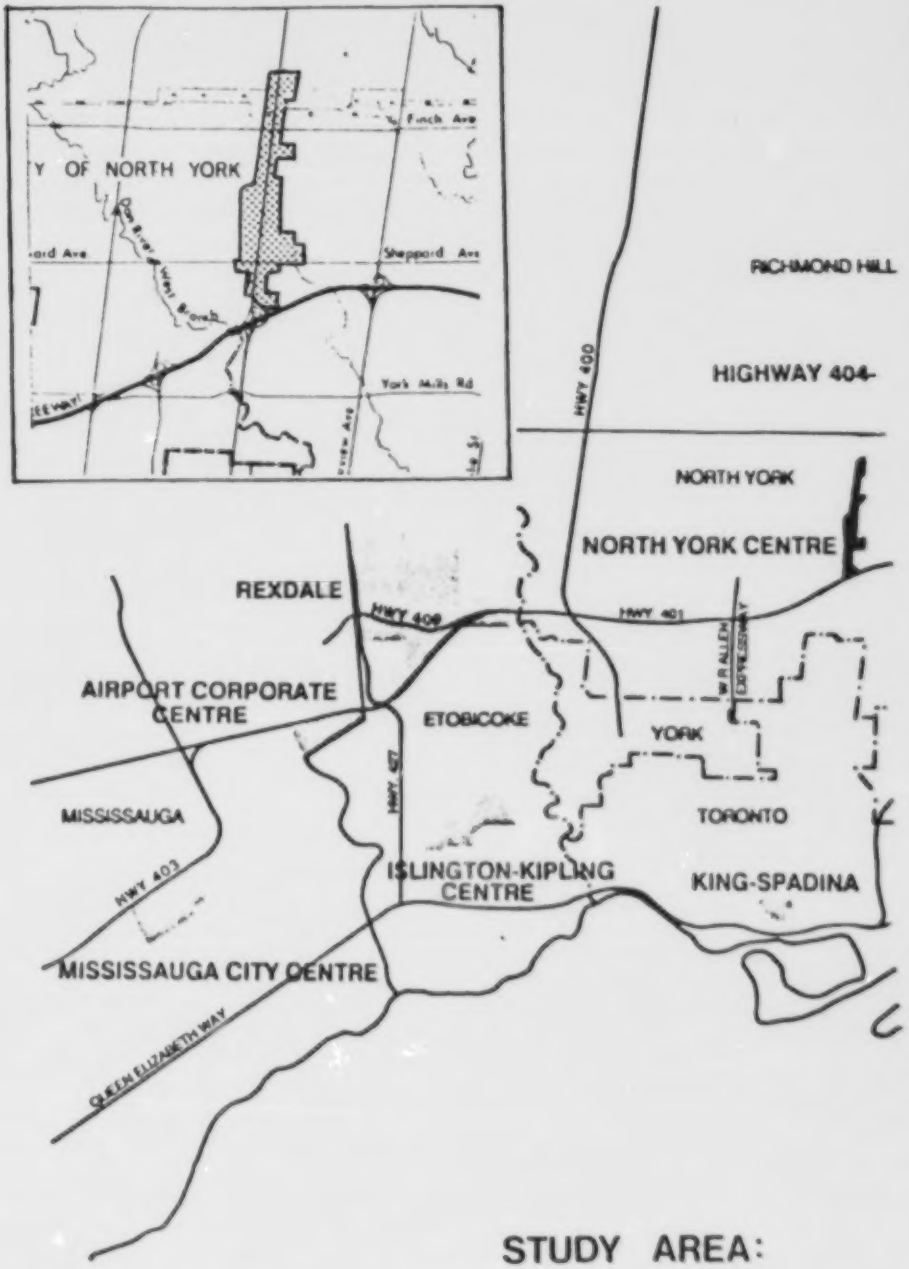
[1] *For most recent building addition.*

[2] *Most recent data.*


Y OF NORTH YORK
Sheppard Ave
York Mills Rd
RICHMOND HILL
HIGHWAY 404
HWY 400
NORTH YORK
NORTH YORK CENTRE
REXDALE
HWY 409
HWY 401
AIRPORT CORPORATE CENTRE
ETOBICOKE
YORK
TORONTO
MISSISSAUGA
HWY 427
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
STUDY AREA:
NORTH YORK CENTRE

I NORTH YORK CENTRE

A. LOCATION DESCRIPTION

The North York Centre stretches over three kilometres on either side of Yonge Street from Highway 401 to Cummer Avenue. With Yonge Street as a north-south backbone intersected by two major arterials, Sheppard Avenue and Finch Avenue. The Centre has direct access to Highway 401 to the south. A four lane collector road will ultimately encircle the Downtown portion thereby relieving congestion from the Yonge Street and Sheppard Avenue intersection.

The Centre is on the Yonge Street subway line which provides thirty minute access to the Central Area and Financial District. Three subway stations serve the Centre (Sheppard, North York Centre and Finch). There are also several bus routes serving the centre including one along Yonge Street. An inter-regional bus terminal is located at Finch station serving GO Transit as well as other inter-regional bus routes. A large commuter parking lot and a Kiss 'N' Ride facility are located at the Finch station.

The North York Centre is the most significant office concentration outside the Central Area. The Centre is gradually developing a mix and concentration of amenities through redevelopment of existing properties. It has undergone major growth in employment, office and residential development since the late 1970's. Most of the office buildings are concentrated around the two subway stations in the Downtown portion of the Centre.

The Centre houses several major corporate offices including Petro Canada and Proctor & Gamble. It also has a large government and institutional presence which include the civic centre, Board of Education offices, and federal and provincial government offices. There is a significant retail service component which includes restaurants, shops and a retail mall and plaza. Finally, there is a large residential element in the area nearly of which takes the form of apartments. Surrounding the Centre are low density residential neighbourhoods.

The Metropolitan Toronto Official Plan designates the area as a Major Centre. The North York Official Plan designates the southern half of the Centre as the Downtown and northern half as Uptown.

AREA: North York Centre

1988 TOTAL EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Manufacturing	13	64	1.3%	.3%
Ter/St/Tr*	13	59	1.3%	.3%
Retail - Shop	199	1,571	19.3%	7.0%
Retail - Serv	189	1,573	18.3%	7.0%
Services/Accessories	3	145	.3%	.6%
Office - Government	24	6,249	2.3%	28.0%
Office - Other	541	11,644	52.5%	52.1%
Institutional	29	448	2.8%	2.0%
Recreational	12	244	1.2%	1.1%
Const/Other	7	331	.7%	1.5%
TOTAL	1,030	22,328	100.0%	100.0%

1988 OFFICE EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Primary	3	1,244	.5%	7.0%
Manufacturing	4	798	.7%	4.5%
Transport./Const.	31	635	5.5%	3.5%
Bank	31	614	5.5%	3.4%
FIRE	114	2,087	20.2%	11.7%
Law	55	383	9.7%	2.1%
Other Bus. Services	172	3,293	30.4%	18.4%
Technical Services	18	284	3.2%	1.6%
Radio/TV/Film	2	22	.4%	.1%
Books/Periodicals	5	701	.9%	3.9%
Trade & Personal Services	23	726	4.1%	4.1%
Doctors	38	174	6.7%	1.0%
Other Health	30	301	5.3%	1.7%
Federal & Foreign	5	3,708	.9%	20.7%
Provincial	11	915	1.9%	5.1%
Regional & Local	8	1,626	1.4%	9.1%
Associations	15	382	2.7%	2.1%
TOTAL	565	17,893	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: North York Centre

TOTAL EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	11	85	8	45	13	64	19	(21)	.3%
Ter/St/Tr*	7	21	5	19	13	59	40	38	.5%
Retail - Shop	201	1,291	191	1,320	199	1,571	251	280	3.4%
Retail - Serv	161	1,155	159	1,123	189	1,573	450	418	6.1%
Services/Accessories	1	2	1	6	3	145	139	143	1.9%
Office - Government	8	199	16	5,600	24	6,249	649	6,050	8.8%
Office - Other	374	4,316	419	5,904	541	11,644	5,740	7,328	77.7%
Institutional	27	952	32	839	29	448	(391)	(504)	-5.3%
Recreational	9	82	10	68	12	244	176	162	2.4%
Const/Other	0	0	2	20	7	331	311	331	4.2%
TOTAL	799	8,103	843	14,944	1,030	22,328	7,384	14,225	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	1	6	3	16	3	1,244	1,228	1,238	19.2%	2	.9%
Manufacturing	4	161	2	850	4	798	(52)	637	-.8%	1	.4%
Transport./Const.	26	684	30	637	31	635	(2)	(49)	-.0%	8	3.4%
Bank	20	345	22	316	31	614	298	269	4.7%	9	3.8%
FIRE	97	1,010	98	1,139	114	2,087	948	1,077	14.8%	47	20.0%
Law	37	206	43	169	55	383	214	177	3.3%	27	11.5%
Other Bus. Services	100	1,457	109	1,411	172	3,293	1,882	1,836	29.5%	89	37.9%
Technical Services	14	87	12	135	18	284	149	197	2.3%	8	3.4%
Radio/TV/Film	0	0	0	0	2	22	22	22	.3%	1	.4%
Books/Periodicals	4	27	5	640	5	701	61	674	1.0%	2	.9%
Trade & Personal Serv	3	7	18	160	23	726	566	719	8.9%	12	5.1%
Doctors	32	118	35	130	38	174	44	56	.7%	13	5.5%
Other Health	9	19	23	70	30	301	231	282	3.6%	8	3.4%
Federal & Foreign	3	52	5	3,706	5	3,708	2	3,656	.0%	0	.0%
Provincial	2	4	6	467	11	915	448	911	7.0%	3	1.3%
Regional & Local	3	143	5	1,427	8	1,626	199	1,483	3.1%	2	.9%
Associations	27	189	19	231	15	382	151	193	2.4%	3	1.3%
TOTAL	382	4,515	435	11,504	565	17,893	6,389	13,378	100.0%	235	

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

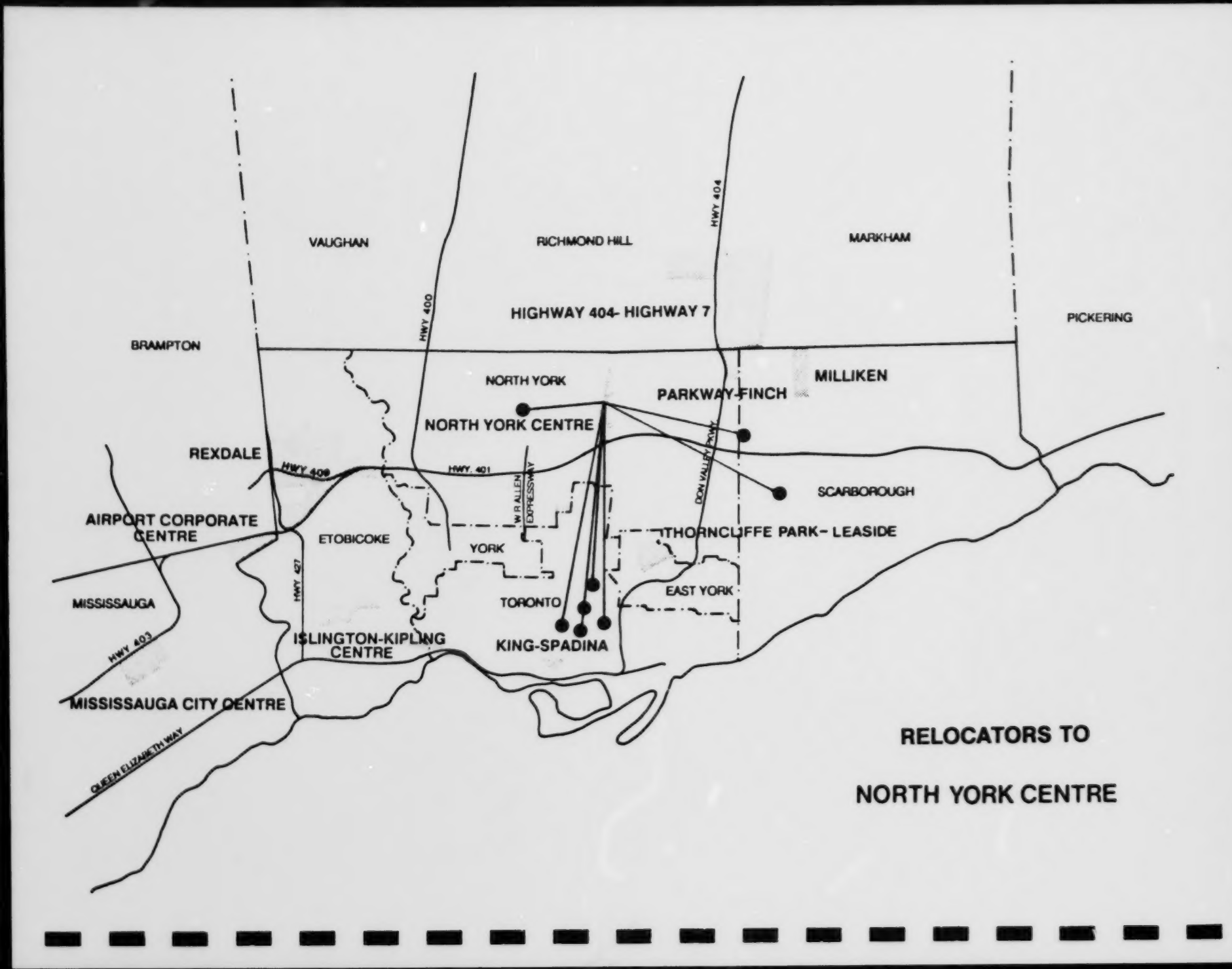
B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- Total employment grew 175% from 1983 to 1988 and 49% from 1986 to 1988.
- For both the 1983-1988 and 1986-1988 periods, the office sector accounted for the majority share of total employment growth with 94% and 86.5% share respectively.
- Total office employment grew 296% from 1983 to 1988 and 56% from 1986 to 1988.

o Employment Structure

- In the 1983 to 1988 period the categories with the highest shares of office growth were the federal government, business services, and regional and local government. In the 1986 to 1988 period, however, the growth was accounted for mainly by non government office categories. These include business services, primary industries, and FIRE.
- The total employment structure for 1983 to 1988 shifted from office (other) as the major employment sector, retail (shop and service) as the second, and institutional as the third to office (other) as the major sector, office (government) as the second, and retail (shop and service) as the third.
- Total office employment shifted from 55.7% of total employment in 1983 to 80.1% of total employment in 1988.
- The major office employment categories for 1983 included other business services first, FIRE second, and transportation/construction third. By 1988 this structure shifted to federal and foreign government first, other business services second, and FIRE third.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PARKWAY-FINCH
NORTH YORK CENTRE
REXDALE
HWY 409
HWY. 401
W R ALLEN EXPRESSWAY
DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
YORK
THORNCLIFFE PARK- LEASIDE
HWY 427
MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
NORTH YORK CENTRE

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

- Although the twenty surveyed firms demonstrated a good mix of business categories, most belong to the FIRE and business services categories with 25% and 50% respectively.

- The surveyed organizations comprised a total of 749 employees.

- Like Islington/Kipling Centre and King/Spadina, North York Centre has one of the lowest proportions of employees who drive to work and one of the highest proportions of female employees. These characteristics can be warranted to the areas' good public transit access.

- Of the twenty firms, 80% are relocators. Need for additional space was the most cited reason for relocation. The survey revealed an even split between relocators from the same area and those from a different area. Relocators from a different area cited inadequate supply of space and high rental rates as the major reasons for leaving the previous area.

o Location Factors, Advantages, Disadvantages

- The most cited factors important to location decision include general appearance of area, profile or status of area, and location in Metro Municipal Boundaries.

- The most cited advantage of the area is good public transit. Proximity to highway, low office rents, and high profile of the area are the other highly mentioned advantages.

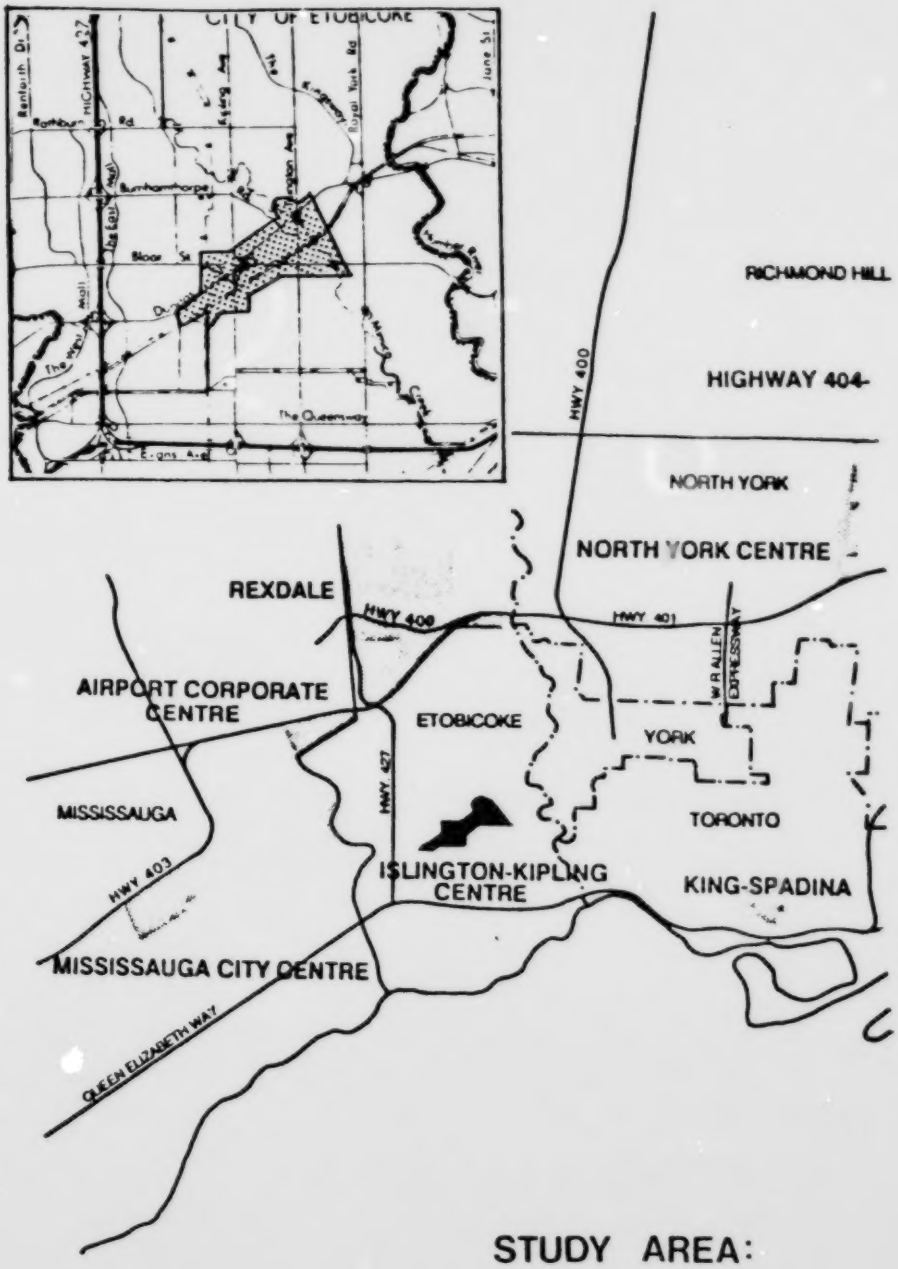
- Cited disadvantages include lack/cost of parking, traffic congestion, and poor retail services.

- As noted, North York Centre is cited as having one of the lowest proportions of employees who drive to work. This is supported in the fact that it also has the highest satisfaction with public transit and one of the highest dissatisfaction rates with parking.

- 70% of the twenty firms view the area as "good", while 25% view it as "excellent".

- **Comments**

  - "Better air, more open space and more light are needed in office buildings"
  - "Parking for clients"
  - "Improve accessibility to downtown"
  - "More restaurants"
  - "Need cheaper and better parking facilities"
  - "Expand the road network for the future"
  - "Better parking and east/west access across the city"
  - "Retail space on main concourse of office buildings is good"



STUDY AREA:
ISLINGTON-KIPLING
CENTRE

II ISLINGTON/KIPLING CENTRE

A. LOCATION DESCRIPTION

The Islington/Kipling Centre which has an irregular shape, is located between Dundas and Bloor Streets and Kipling Avenue in Etobicoke. While the area is well served by arterial roads, it does not have immediate highway access. Highway 427 to the west provides access to Pearson Airport.

The Centre is located at the end of the Bloor/Danforth subway line and is served by two subway stops, Islington and Kipling stations. Access to downtown Toronto involves a half hour subway ride and a change to the University or Yonge subway lines. The Centre is also serviced by several bus routes from the Kipling and Islington stations. There is also an inter-regional bus station for Go Transit and Mississauga Transit buses and a Kiss 'n' Ride facility at Kipling and Islington stations.

The predominant land use in the Centre is high-rise apartment buildings which support a large residential population. Office development is concentrated around the Islington subway station. Except for a police headquarters and small federal offices, the Centre lacks significant government offices. The Centre also contains light industrial uses, open space and recreational facilities and several schools. A six-point road interchange (where Bloor, Dundas and Kipling meet), C.P.R. tracks, commuter parking lots and hydro corridors break the continuity of the Centre. The area has undergone little office development in the past decade.

The Metro Toronto Official Plan designates the area as an Intermediate Centre. The Etobicoke Official Plan designates the area as the City Centre.

B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- Total employment grew 67% from 1983 to 1988 and 21% from 1986 to 1988.
- Growth is mainly attributed to high non-government office growth which accounts for 88% (1983-1988) and 66.3% (1986-1988) share of total employment growth.
- Total office employment grew 136% from 1983 to 1988 and 23% from 1986 to 1988.
- In the 1983-1988 period the majority of office growth can be attributed mainly to the transportation/construction category. In the 1986-1988 period, however, office growth can be attributed mainly to three categories -- transportation/ construction, business services, and manufacturing.

o Employment Structure

- Office(other), retail-shop, and retail-service remained the leading employment sectors for 1983-1988 total employment.
- Total office employment increased from 46.6% of total employment in 1983 to 65.7% of total employment in 1988.
- Throughout the 1983-1988 period the three major office categories remained consistent in the order of transportation/construction, other business services and FIRE.

AREA: Islington/Kipling/Bloor

1988 TOTAL EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Manufacturing	42	412	5.2%	3.5%
Ter/St/Tr*	8	258	1.0%	2.2%
Retail - Shop	149	1,111	18.5%	9.3%
Retail - Serv	177	1,237	22.0%	10.4%
Services/Accessories	1	5	.1%	.0%
Office - Government	16	499	2.0%	4.2%
Office - Other	370	7,342	45.9%	61.6%
Institutional	28	868	3.5%	7.3%
Recreational	11	109	1.4%	.9%
Const/Other	4	85	.5%	.7%
TOTAL	806	11,926	100.0%	100.0%

1988 OFFICE EMPLOYMNET

	Firms	Employees	Distribution Firms	Distribution Employees
Primary	1	16	.3%	.2%
Manufacturing	4	606	1.0%	7.7%
Transport./Const.	31	3,496	8.0%	44.6%
Bank	11	592	2.8%	7.6%
FIRE	65	657	16.8%	8.4%
Law	25	80	6.5%	1.0%
Other Bus. Services	80	1,075	20.7%	13.7%
Technical Services	11	101	2.8%	1.3%
Radio/TV/Film	1	4	.3%	.1%
Books/Periodicals	4	31	1.0%	.4%
Trade & Personal Services	18	96	4.7%	1.2%
Doctors	73	281	18.9%	3.6%
Other Health	33	213	8.5%	2.7%
Federal & Foreign	6	286	1.6%	3.6%
Provincial	6	165	1.6%	2.1%
Regional & Local	4	48	1.0%	.6%
Associations	13	94	3.4%	1.2%
TOTAL	386	7,841	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: Islington/Kipling/Bloor

TOTAL EMPLOYMENT GROWTH

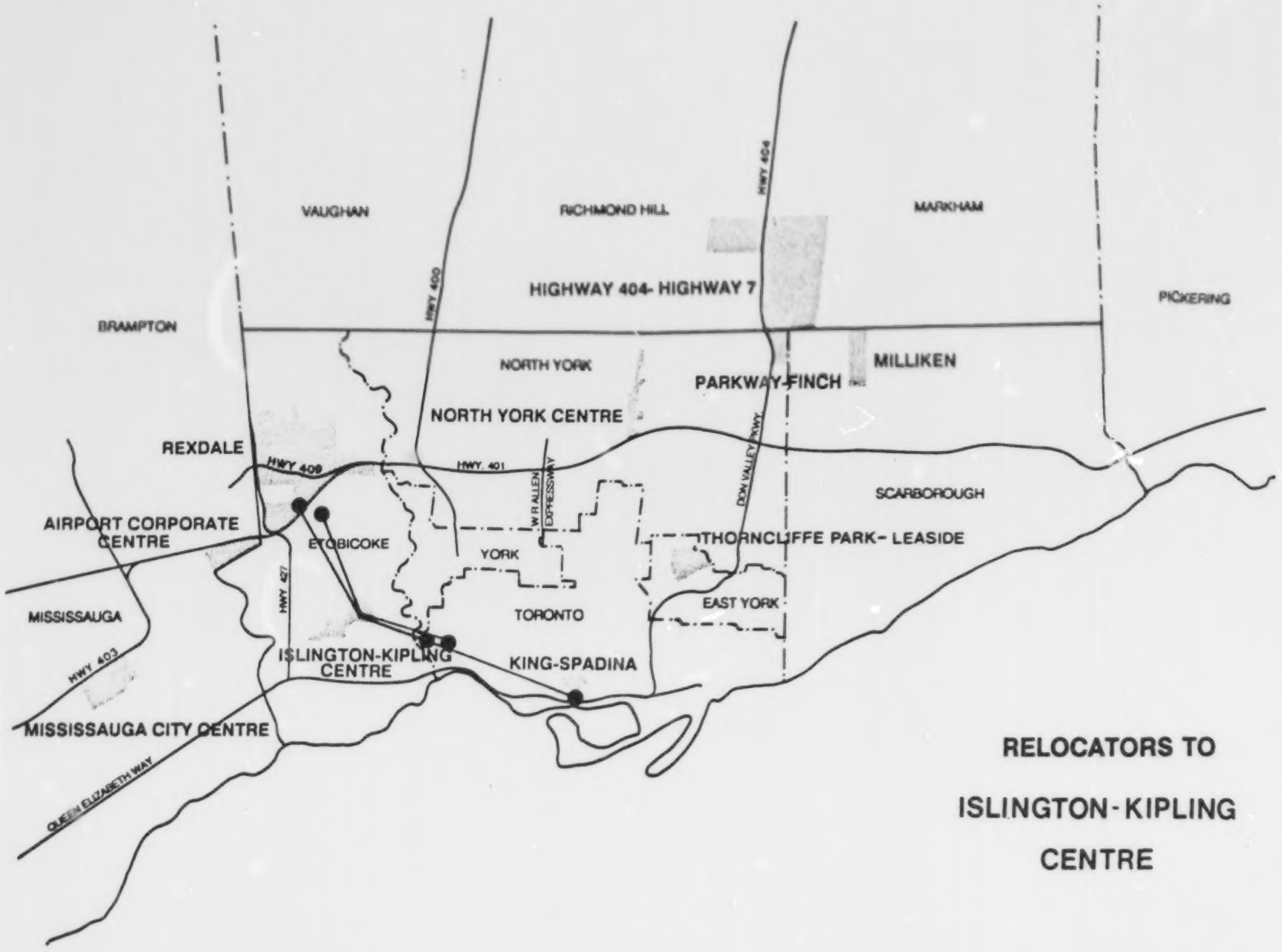
	1983		1986		1988		Employment Growth		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	33	469	41	451	42	412	(39)	(57)	-1.9%
Ter/St/Tr*	6	466	6	111	8	258	147	(208)	7.1%
Retail - Shop	123	1,151	131	941	149	1,111	170	(40)	8.2%
Retail - Serv	129	835	174	1,128	177	1,237	109	402	5.3%
Services/Accessories	1	23	1	61	1	5	(56)	(18)	-2.7%
Office - Government	6	219	15	404	16	499	95	280	4.6%
Office - Other	325	3,097	355	5,969	370	7,342	1,373	4,245	66.3%
Institutional	17	766	25	516	28	868	352	102	17.0%
Recreational	7	97	8	93	11	109	16	12	.8%
Const/Other	0	0	4	181	4	85	(96)	85	-4.6%
TOTAL	647	7,123	760	9,855	806	11,926	2,071	4,803	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	0	0	1	6	1	16	10	16	.7%	0	.0%
Manufacturing	12	214	4	306	4	606	300	392	20.4%	1	1.1%
Transport./Const.	24	816	27	3,119	31	3,496	377	2,680	25.7%	5	5.6%
Bank	10	138	12	575	11	592	17	454	1.2%	0	.0%
FIRE	59	377	68	564	65	657	93	280	6.3%	16	18.0%
Law	26	84	23	75	25	80	5	(4)	.3%	2	2.2%
Other Bus. Services	54	701	77	711	80	1,075	364	374	24.8%	29	32.6%
Technical Services	10	59	13	73	11	101	28	42	1.9%	0	.0%
Radio/TV/Film	1	3	1	4	1	4	0	1	.0%	0	.0%
Books/Periodicals	1	1	3	18	4	31	13	30	.9%	1	1.1%
Trade & Personal Serv	29	269	14	140	18	96	(44)	(173)	-3.0%	7	7.9%
Doctors	59	168	72	217	73	281	64	113	4.4%	13	14.6%
Other Health	23	120	27	84	33	213	129	93	8.8%	8	9.0%
Federal & Foreign	5	208	7	243	6	286	43	78	2.9%	1	1.1%
Provincial	1	11	5	123	6	165	42	154	2.9%	2	2.2%
Regional & Local	0	0	3	38	4	48	10	48	.7%	1	1.1%
Associations	17	147	13	77	13	94	17	(53)	1.2%	3	3.4%
TOTAL	331	3,316	370	6,373	386	7,841	1,468	4,525	100.0%	89	

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department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DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
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THORNCLIFFE PARK- LEASIDE
HWY 427
MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
ISLINGTON-KIPLING
CENTRE

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

- The Islington/Kipling Centre sample has a good mix of employment with the majority of the surveyed firms belonging to the business services category.

- The twenty surveyed firms include a total of 415 employees, where 51% are female employees.

- Like North York Centre and King/Spadina, the Islington Kipling Centre has one of the lowest proportions of employees who drive to work and one of the highest proportions of female employees. These characteristics can be warranted to the areas' good public transit access.

- Of the twenty firms, 60% are relocators and the need for more space was the major reason for relocation.

o Location Factors, Advantages, And Disadvantages

- The most common factors affecting location decision for the surveyed firms in the study area include general appearance of area, profile or status of area, and location in Metro Municipal Boundaries.

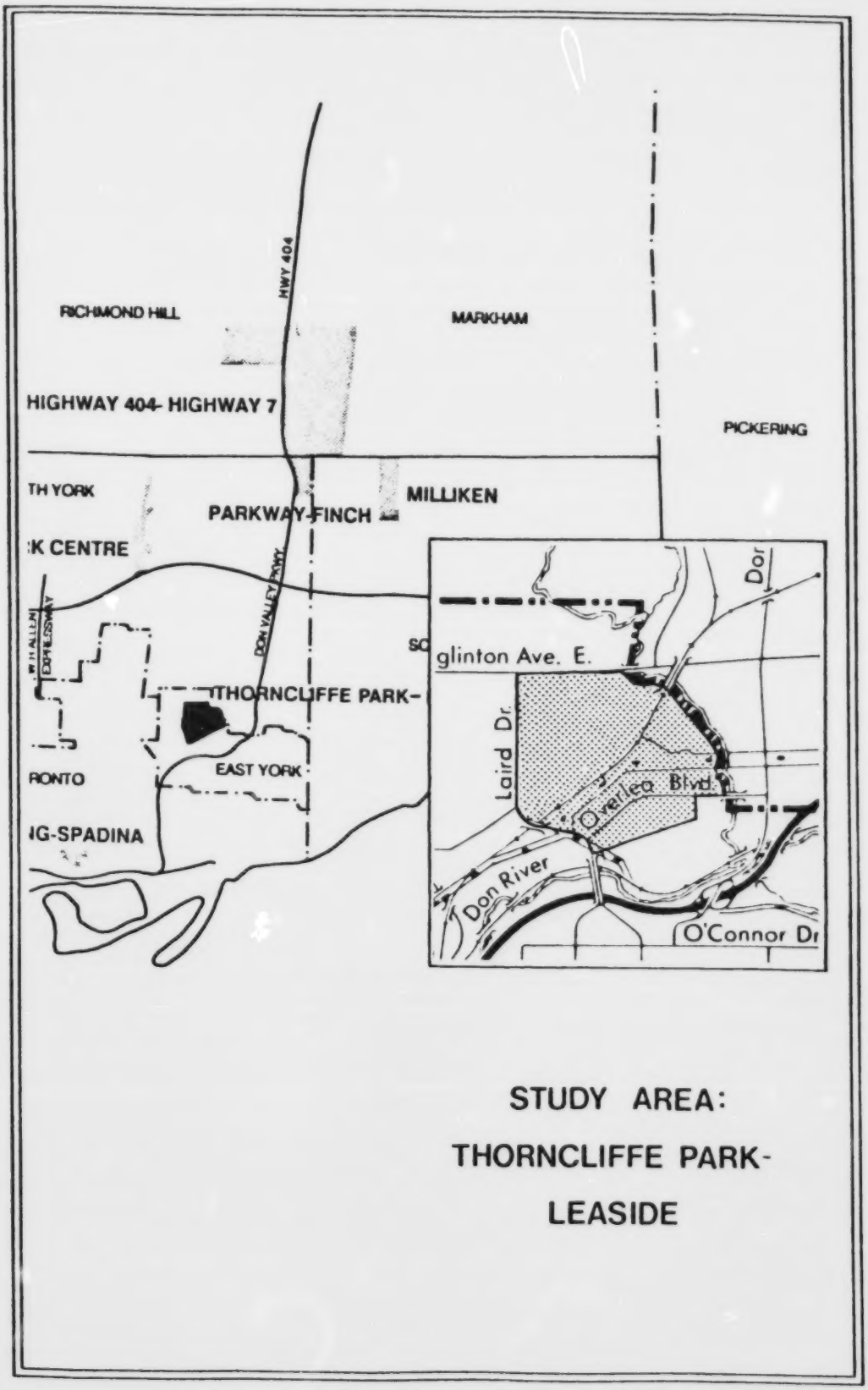
- Major advantages include good public transit, proximity to highway, and proximity to executive homes.

- Although few firms sited disadvantages, the main disadvantages include lack/cost of parking and high rents.

- Both good public transit and lack/cost of parking being cited as main advantages and disadvantages respectively support the low proportion of employees who drive to work.

- Overall, the majority of sampled firms rated the area as "excellent" in meeting the firm's needs, while most of the remainder rated the area as "good".

- **Comments**
  - "Less building restrictions"
  - "Better parking and highway systems is needed for office areas"
  - "Upgrade subway, improve roads"



STUDY AREA:

THORNCLIFFE PARK-

LEASIDE

III THORNCLIFFE PARK-LEASIDE

A. LOCATION DESCRIPTION

The Thorncliffe Park-Leaside area is located in East York between Eglinton Avenue on the north, Laird Drive on the west, Overlea Boulevard on the south and the West Don River on the east. The area can be divided into two sections: the area north of the hydro rights-of-way is the Leaside industrial area; the area to the south is Thorncliffe Park.

The area is located close to the Don Valley Parkway but accessibility is poor. Several bus routes serve the area including Leaside 88, 88A and 88B; Don Mills 25 and Leslie 51, 56 and 56B. The area is not served by a subway line although buses provide access to the Yonge and Danforth subway lines.

The Leaside industrial area comprised of 115 hectares is predominantly industrial in character dominated by several large manufacturing firms. Recently a number of offices have moved into the area. A very large office and residential development has been proposed along Eglinton Avenue.

Thorncliffe Park generally located along Overlea Boulevard contains low density light industrial uses and offices as well as a large shopping centre. There is limited office development which includes some provincial government offices. While the area has experienced no new office development in the past decade, a new office building and apartment condominium are currently under construction. The area is surrounded to the south by a large residential community.

The Metro Toronto Official Plan identifies Thorncliffe Park as an Office Park. The East York Official Plan designates Leaside-Thorncliffe Park as an industrial area with some commercial uses permitted.

B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- Total employment grew a mere .6% from 1983 to 1988 and 11.4% from 1986 to 1988. The overall low increase of .6% can be attributed to a decrease in employment from 1983 to 1986 and then off-set by an increase from 1986 to 1988.

- Office employment growth accounts for the major share of total employment growth in both 1983-1988 and 1986-1988.

- Total office employment grew 38.4% from 1983 to 1988 and 45.8% from 1986 to 1988.

- The manufacturing office category accounts for the major share of total office growth for both 1983-1988 and 1986-1988.

o Employment Structure

- Manufacturing remained the largest employment sector and office(other) remained the second largest employment sector from 1983 to 1988.

- Total manufacturing employment decreased while total office employment increased from 1983 to 1988. Total manufacturing office employment, however, increased 437% from 1983 to 1988. Hence, a shift appears to be occurring from the production to the service of manufactured goods in the Thorncliffe Park/Leaside area.

- Total office employment increased from 30% (1983) to 41.2% (1988) of total employment.

- The leading office employment categories in 1983 included provincial government, other business services, and trade and personal services. High increases in the manufacturing office sector created a shift in the office employment structure with manufacturing becoming the second largest office category, and other business services dropping to third largest. Provincial government, however, remained the leading office employment category through to 1988.

AREA: Thorncliffe/Leaside

1988 TOTAL EMPLOYMENT

	Firms	Employees	Distribution Firms	Employees
Manufacturing	89	4,971	17.0%	37.2%
Ter/St/Tr*	18	611	3.4%	4.6%
Retail - Shop	96	1,173	18.4%	8.8%
Retail - Serv	80	706	15.3%	5.3%
Services/Accessories	1	62	.2%	.5%
Office - Government	9	1,507	1.7%	11.3%
Office - Other	216	3,992	41.3%	29.9%
Institutional	9	196	1.7%	1.5%
Recreational	5	132	1.0%	1.0%
Const/Other	0	0	.0%	.0%
TOTAL	523	13,350	100.0%	100.0%

1988 OFFICE EMPLOYMENT

	Firms	Employees	Distribution Firms	Employees
Primary	1	40	.4%	.7%
Manufacturing	14	1,160	6.2%	21.1%
Transport./Const.	16	412	7.1%	7.5%
Bank	7	129	3.1%	2.3%
FIRE	14	229	6.2%	4.2%
Law	2	6	.9%	.1%
Other Bus. Services	81	803	36.0%	14.6%
Technical Services	23	122	10.2%	2.2%
Radio/TV/Film	3	24	1.3%	.4%
Books/Periodicals	9	129	4.0%	2.3%
Trade & Personal Services	16	444	7.1%	8.1%
Doctors	10	33	4.4%	.6%
Other Health	9	218	4.0%	4.0%
Federal & Foreign	1	9	.4%	.2%
Provincial	6	1,464	2.7%	26.6%
Regional & Local	2	34	.9%	.6%
Associations	11	243	4.9%	4.4%
TOTAL	225	5,499	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: Thorncliffe/Leaside

TOTAL EMPLOYMENT GROWTH

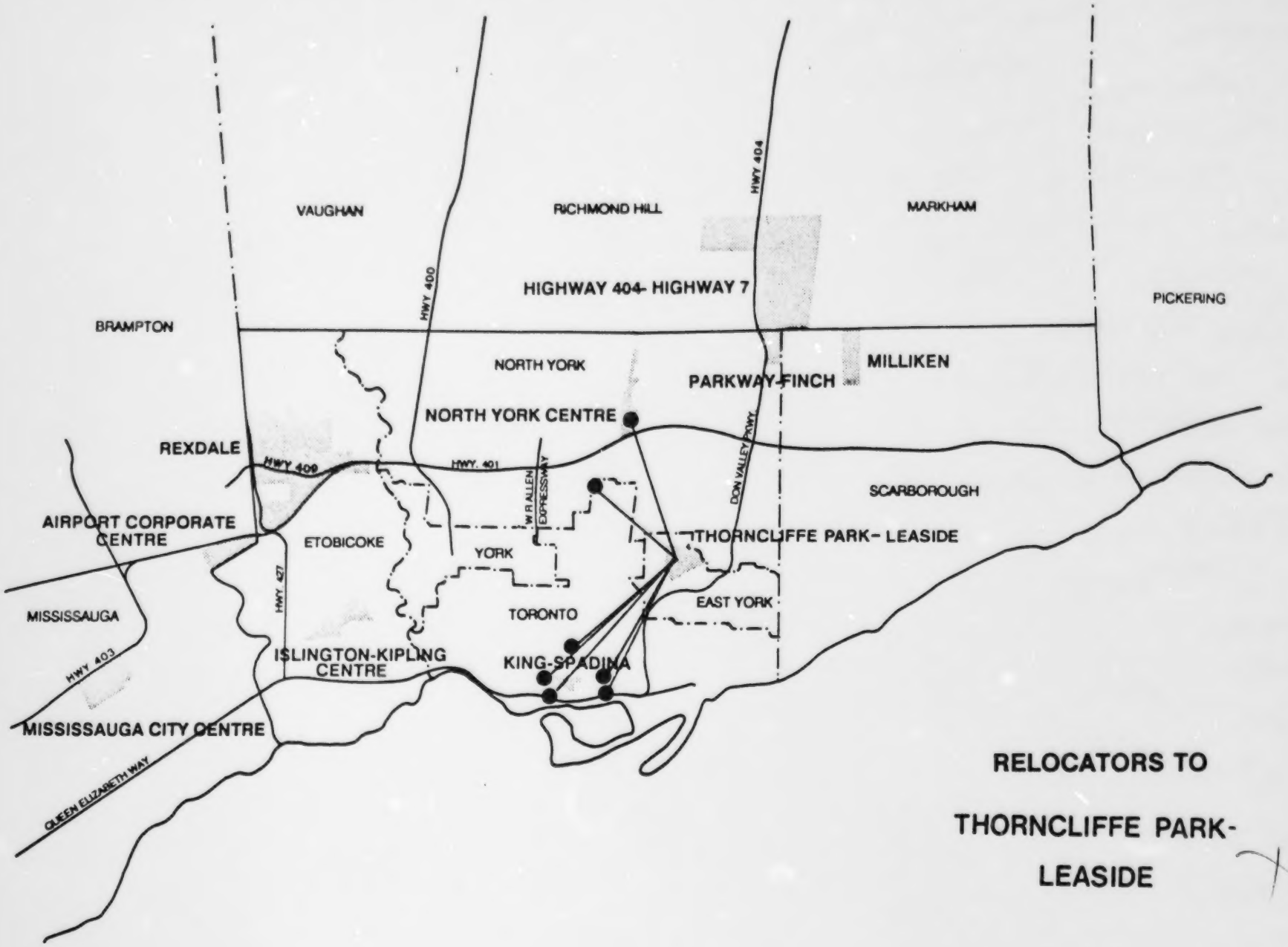
	1983		1986		1988		Employment Growth		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	89	6,910	86	5,464	89	4,971	(493)	(1,939)	-35.9%
Ter/St/Tr*	21	275	21	639	18	611	(28)	336	-2.0%
Retail - Shop	75	1,220	95	1,184	96	1,173	(11)	(47)	-.8%
Retail - Serv	61	341	77	550	80	706	156	365	11.4%
Services/Accessories	1	124	1	65	1	62	(3)	(62)	-.2%
Office - Government	5	1,066	5	1,225	9	1,507	282	441	20.6%
Office - Other	198	2,907	191	2,546	216	3,992	1,446	1,085	105.4%
Institutional	12	167	10	168	9	196	28	29	2.0%
Recreational	4	256	7	119	5	132	13	(124)	.9%
Const/Other	1	4	1	18	0	0	(18)	(4)	-1.3%
TOTAL	467	13,270	494	11,978	523	13,350	1,372	80	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	2	51	1	60	1	40	(20)	(11)	-1.2%	0	.0%
Manufacturing	3	216	3	183	14	1,160	977	944	56.5%	7	10.6%
Transport./Const.	19	399	16	268	16	412	144	13	8.3%	3	4.5%
Bank	6	125	7	118	7	129	11	4	.6%	1	1.5%
FIRE	9	39	11	201	14	229	28	190	1.6%	9	13.6%
Law	3	7	1	2	2	6	4	(1)	.2%	1	1.5%
Other Bus. Services	74	658	70	722	81	803	81	145	4.7%	25	37.9%
Technical Services	11	39	23	112	23	122	10	83	.6%	7	10.6%
Radio/TV/Film	4	9	3	4	3	24	20	15	1.2%	0	.0%
Books/Periodicals	11	344	11	157	9	129	(28)	(215)	-1.6%	3	4.5%
Trade & Personal Serv	38	590	14	353	16	444	91	(146)	5.3%	5	7.6%
Doctors	5	22	9	29	10	33	4	11	.2%	0	.0%
Other Health	6	16	7	130	9	218	88	202	5.1%	2	3.0%
Federal & Foreign	1	3	2	11	1	9	(2)	6	-.1%	0	.0%
Provincial	3	1,049	2	1,192	6	1,464	272	415	15.7%	1	1.5%
Regional & Local	1	14	1	22	2	34	12	20	.7%	1	1.5%
Associations	7	392	15	207	11	243	36	(149)	2.1%	1	1.5%
TOTAL	203	3,973	196	3,771	225	5,499	1,728	1,526	100.0%	66	

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department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HWY. 401
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DON VALLEY PKWY.
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
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MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
THORNCLIFFE PARK-
LEASIDE

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

- The largest portion (35%) of the twenty surveyed firms belongs to the business services category, while the remaining 65% are distributed amongst communications, trade(wholesale), FIRE, and other.

- The surveyed firms comprise a total of 341 employees of which 57% are male. This proportion of male employees is one of the highest in comparison to the other study areas.

- 65% of the surveyed firms are relocators, while the other 35% are new companies. The major reason for relocating was the need for space.

o Location Factors, Advantages, And Disadvantages

- The most common factors which were important in the location decisions of the twenty firms include location in Metro Municipal Boundaries, general appearance of the area, property/business taxes, and profile or status of the area.

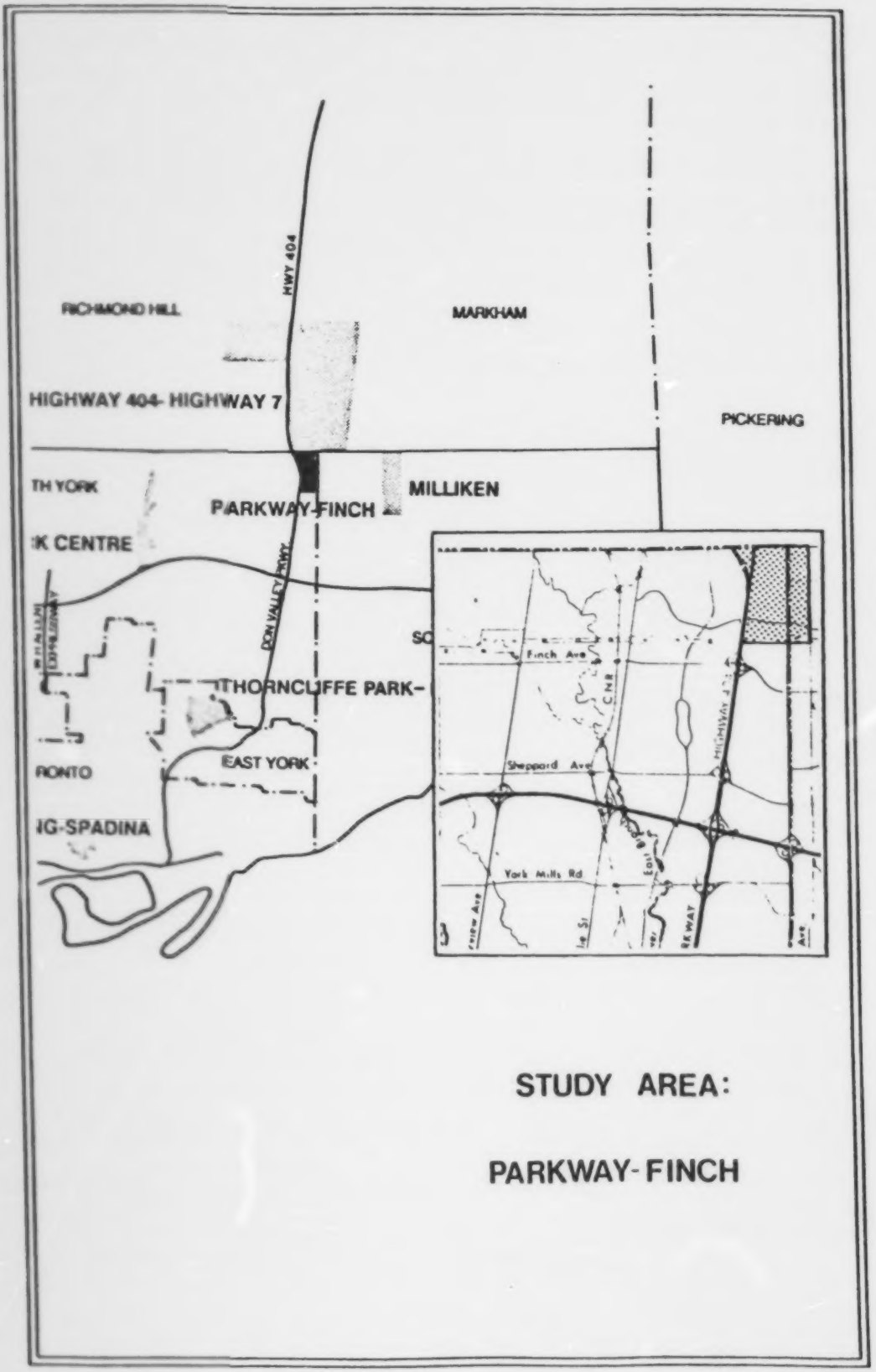
- Of the many listed advantages in the Thorncliffe/Leaside study area, proximity to highway was the most noted. Other highly noted advantages include proximity to downtown ("central location"), low rents, good transit, convenience for clients, and access to clients.

- Among the few noted disadvantages, poor retail services, lack/cost of parking, poor building/space, and traffic congestion were the most common.

- Relocators from other areas cite traffic congestion, lack of sufficient parking inadequate supply of space, and high rental rates as major reasons for leaving. While low rents are cited as a major advantage in Thorncliffe/Leaside, the other reasons for leaving the previous areas are cited as disadvantages in Thorncliffe/Leaside.

- Overall, the majority, 70%, rated the area as "good". 20% rated the area as "excellent" and 10% as "fair".

- **Comments**
  - "More parking"
  - "Parking and access are crucial office location factors"
  - "Office and industrial uses do not mix"
  - "Scatter office space across Metro instead of having office parks in particular areas"
  - "Need user friendly buildings"
  - "Parking, parking, parking"



STUDY AREA:

PARKWAY-FINCH

IV PARKWAY/FINCH OFFICE PARK

A. LOCATION DESCRIPTION

The Parkway-Finch Office Park is rectangular in shape located in North York between Steeles Avenue, Highway 404, Mc Nicoll Avenue and Victoria Park Avenue. The area has immediate access to Highway 404 which provides access to Highway 401 and also direct automobile access to downtown Toronto. T.T.C. bus service to the office park is provided on the following routes: Cummer 42, Victoria Park 24 and Steeles East 53. Access to a subway line is via the Steeles or Cummer bus to Finch station on the Yonge line.

The office park is part of a large industrial area. It is a fairly new area with a mixture of industrial uses and medium to low rise offices. There are few retail-service uses except for some restaurants.

This area is identified as an Office Park in the Metro Toronto Official Plan. The North York Official Plan designates the area as a Business Park.

B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- Total employment grew 24.3% from 1983 to 1988 and 21.8% from 1986 to 1988.

- The office sector accounted for the largest share in total employment growth with 138.2% (1983-1988) and 116.1% (1986-1988) share.

- Total office employment grew relatively more than total employment. Total office employment grew 50.7% from 1983 to 1988 and 34.7% from 1986 to 1988.

- The primary, business services, and technical services office sectors accounted for the largest shares in total office employment growth from 1983 to 1988. From 1986 to 1988 business services, manufacturing, and technical services accounted for the largest shares in total office employment growth.

o Employment Structure

- The office employment sector accounted for the majority of total employment throughout 1983 to 1988. While manufacturing remained the second largest employment sector, it decreased 70% from 1983 to 1988.

- Total office employment increased from 66.2% of total employment in 1983 to 80.2% of total employment in 1988.

- While other business services remained the leading office employment sector in 1983 to 1988, the second largest office employment sector shifted from manufacturing in 1983 to trade and personal services in 1988.

AREA: Parkway/Finch

1988 TOTAL POPULATION

	Firms	Employees	Distribution Firms	Distribution Employees
Manufacturing	20	705	7.9%	8.6%
Ter/St/Tr*	5	101	2.0%	1.2%
Retail - Shop	44	292	17.5%	3.6%
Retail - Serv	21	407	8.3%	5.0%
Services/Accessories	0	0	.0%	.0%
Office - Government	1	77	.4%	.9%
Office - Other	157	6,488	62.3%	79.3%
Institutional	3	87	1.2%	1.1%
Recreational	1	24	.4%	.3%
Const/Other	0	0	.0%	.0%
TOTAL	252	8,181	100.0%	100.0%

1988 OFFICE EMPLOYMNET

	Firms	Employees	Distribution Firms	Distribution Employees
Primary	2	802	1.3%	12.2%
Manufacturing	6	673	3.8%	10.3%
Transport./Const.	11	394	7.0%	6.0%
Bank	5	48	3.2%	.7%
FIRE	20	420	12.7%	6.4%
Law	2	15	1.3%	.2%
Other Bus. Services	45	1,935	28.5%	29.5%
Technical Services	21	813	13.3%	12.4%
Radio/TV/Film	1	5	.6%	.1%
Books/Periodicals	3	118	1.9%	1.8%
Trade & Personal Services	28	1,010	17.7%	15.4%
Doctors	4	70	2.5%	1.1%
Other Health	1	2	.6%	.0%
Federal & Foreign	1	77	.6%	1.2%
Provincial	0	0	.0%	.0%
Regional & Local	0	0	.0%	.0%
Associations	8	183	5.1%	2.8%
TOTAL	158	6,565	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: Parkway/Finch

TOTAL EMPLOYMENT GROWTH

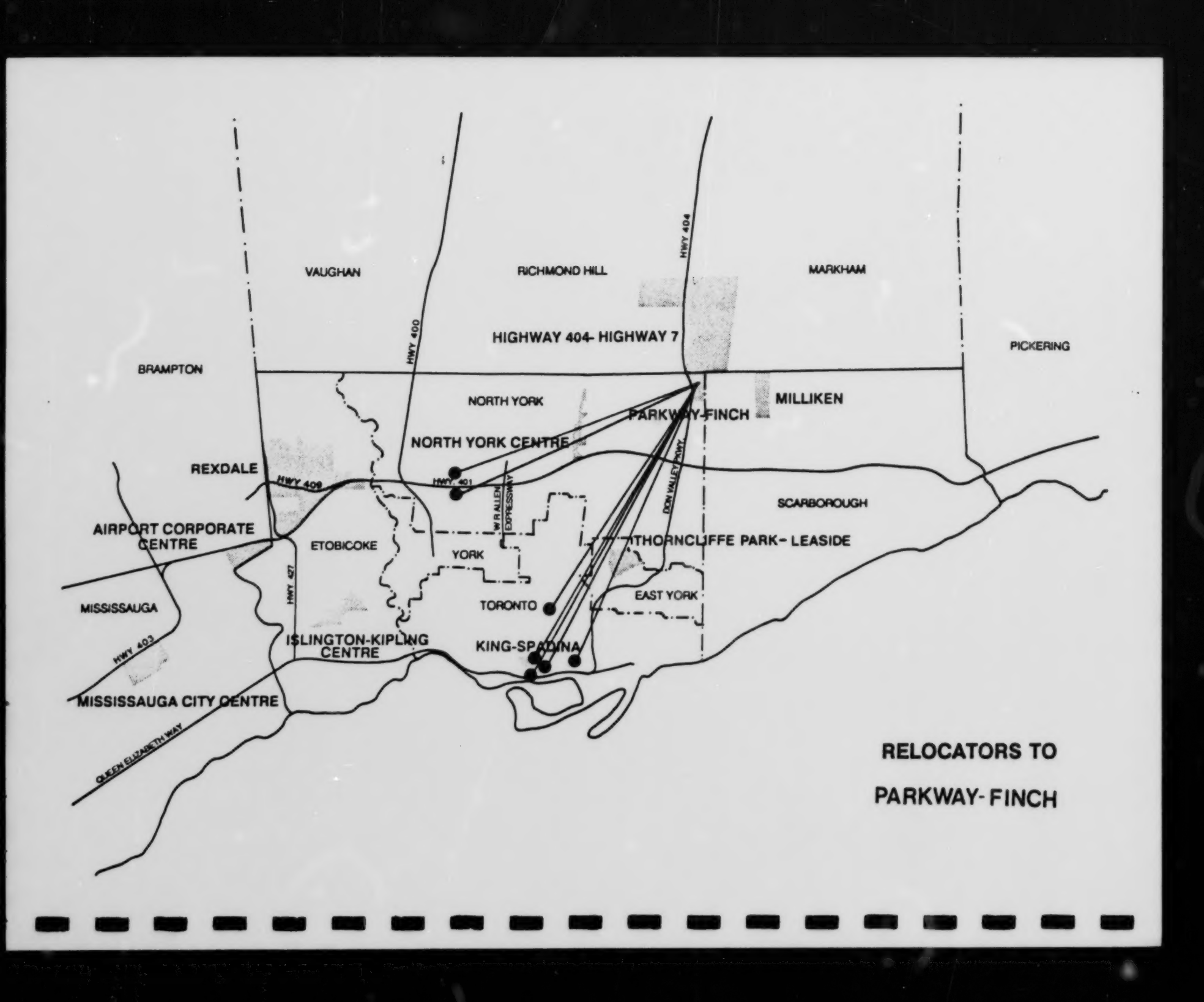
	1983		1986		1988		Employment Growth		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	38	1,015	23	983	20	705	(278)	(310)	-19.0%
Ter/St/Tr*	3	108	2	33	5	101	68	(7)	4.7%
Retail - Shop	62	614	52	364	44	292	(72)	(322)	-4.9%
Retail - Serv	25	297	18	361	21	407	46	110	3.1%
Services/Accessories	0	0	0	0	0	0	0	0	.0%
Office - Government	1	78	1	83	1	77	(6)	(1)	-.4%
Office - Other	147	4,279	144	4,790	157	6,488	1,698	2,209	116.1%
Institutional	3	69	3	45	3	87	42	18	2.9%
Recreational	2	123	0	0	1	24	24	(99)	1.6%
Const/Other	0	0	1	60	0	0	(60)	0	-4.1%
TOTAL	281	6,583	244	6,719	252	8,181	1,462	1,598	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	0	0	1	800	2	802	2	802	.1%	1	1.9%
Manufacturing	15	1,098	7	219	6	673	454	(425)	26.8%	0	.0%
Transport./Const.	16	428	16	138	11	394	256	(34)	15.1%	4	7.5%
Bank	2	30	3	30	5	48	18	18	1.1%	0	.0%
FIRE	14	180	16	240	20	420	180	240	10.6%	11	20.8%
Law	1	1	0	0	2	15	15	14	.9%	2	3.8%
Other Bus. Services	57	1,339	32	1,428	45	1,935	507	596	30.0%	18	34.0%
Technical Services	15	280	16	459	21	813	354	533	20.9%	10	18.9%
Radio/TV/Film	1	4	1	5	1	5	0	1	.0%	0	.0%
Books/Periodicals	2	48	2	27	3	118	91	70	5.4%	1	1.9%
Trade & Personal Serv	19	793	39	1,193	28	1,010	(183)	217	-10.8%	1	1.9%
Doctors	0	0	2	5	4	70	65	70	3.8%	2	3.8%
Other Health	1	16	1	8	1	2	(6)	(14)	-.4%	1	1.9%
Federal & Foreign	1	78	1	83	1	77	(6)	(1)	-.4%	0	.0%
Provincial	0	0	0	0	0	0	0	0	.0%	0	.0%
Regional & Local	0	0	0	0	0	0	0	0	.0%	0	.0%
Associations	4	62	8	238	8	183	(55)	121	-3.3%	2	3.8%
TOTAL	148	4,357	145	4,873	158	6,565	1,692	2,208	100.0%	53	

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department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HWY 409
HWY 401
SCARBOROUGH
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YORK
THORNCLIFFE PARK- LEASIDE
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MISSISSAUGA
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
PARKWAY- FINCH

C. SURVEY SUMMARY

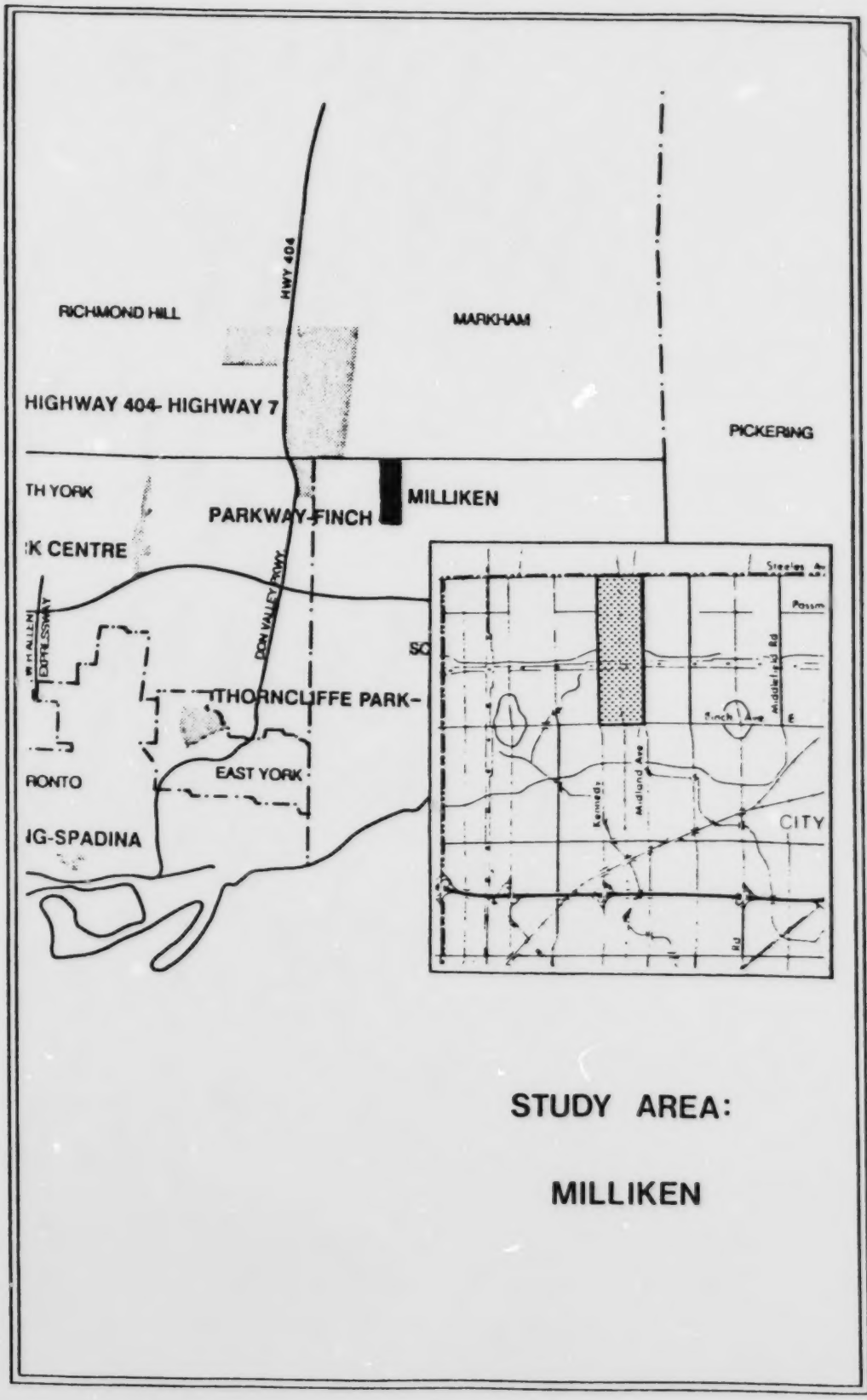
o Major Characteristics Of Surveyed Firms

- The majority of the surveyed firms belong to the FIRE (40%) and the business services (44%) categories.
- The twenty surveyed firms include a total of 855 employees. Like Rexdale and Thorncliffe/Leaside, Parkway/Finch has one of the highest proportions of male employees.
- 65% of the sample are relocators. The remaining 35% are distributed between new branch offices, and new companies.

o Location Factors, Advantages, And Disadvantages

- The two most common factors affecting location decision include profile or status of the area, and general appearance of area. Location in Metro Municipal Boundaries was also one of the more important factors.
- Of the many cited advantages, proximity to highway, good public transit, availability of parking, and low rents were the most common.
- Although few disadvantages were noted, the most mentioned include poor retail services, and high rent.
- Amongst the relocators from a different area high rental rates was the most common reason for leaving the previous area. Parkway/Finch low rents is also cited as one of the area's main advantages. Conversely, however, high rents was also cited as one of the main disadvantages.
- The majority, 55%, rated the area as "good", 40% as "excellent" and 5% as "fair".

- **Comments**
  - "Downtown congestion, and high rent push firms out"
  - "Increased densities are welcomed"
  - "Adequate parking is essential"
  - "Parking, and car/subway access are crucial to office parks"
  - "Control downtown office space"



STUDY AREA:

MILLIKEN

V MILLIKEN INDUSTRIAL AREA

A. LOCATION DESCRIPTION

The Milliken industrial area is located in northern Scarborough bounded by Steeles Avenue on the north, Finch Avenue on the south, Kennedy Road on the west and Midland Avenue on the east. Highway 404 to the west and Highway 401 to the south are about 6 kilometres away. Several bus routes serve the area: Kennedy 43, 43A; Midland 57; Steeles East 53, 53A and Finch East 39A and 39D. The nearest rapid transit stations are at Ellesmere and Midland on the Scarborough R.T. line. The Yonge subway is a long bus ride to the west. There is a Go rail station at Steeles Avenue between Kennedy and Midland.

The area is primarily industrial with some retail plazas and offices. There is some vacant land and redevelopment potential.The Scarborough Official Plan designates the area as an industrial district for industrial, office and some retail uses.

B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- An overall increase in employment of 13.4% was experienced from 1983 to 1988.
- The majority of the 1983-1988 total employment growth can be attributed to the retail (shop and service) and terminal/storage/transportation sectors.
- Overall, total office employment dropped 5.5% from 1983 to 1988. Nonetheless, 20.3% growth was experienced in the 1986-1988 period.
- The transportation/construction category accounted for both the largest share of office employment loss for 1983-1988 and the largest share of office employment growth for 1986-1988.

o Employment Structure

- Manufacturing and office (other) were the major employment sectors throughout the 1983-1988 period.
- Total office employment of total employment dropped from 50.9% in 1983 to 42.4% in 1988.
- Although, the transportation/construction office category shifted from 91.4% of total office employment in 1983 to 66.6% of total office employment in 1988, it still remained the leading office sector.

AREA: Milliken

1988 TOTAL EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Manufacturing	55	1,099	24.2%	37.9%
Ter/St/Tr*	16	141	7.0%	4.9%
Retail - Shop	29	200	12.8%	6.9%
Retail - Serv	27	212	11.9%	7.3%
Services/Accessories	0	0	.0%	.0%
Office - Government	0	0	.0%	.0%
Office - Other	96	1,229	42.3%	42.4%
Institutional	4	16	1.8%	.6%
Recreational	0	0	.0%	.0%
Const/Other	0	0	.0%	.0%
TOTAL	227	2,897	100.0%	100.0%

1988 OFFICE EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Primary	0	0	.0%	.0%
Manufacturing	2	25	2.1%	2.0%
Transport./Const.	32	819	33.3%	66.6%
Bank	0	0	.0%	.0%
FIRE	3	7	3.1%	.6%
Law	0	0	.0%	.0%
Other Bus. Services	17	171	17.7%	13.9%
Technical Services	6	53	6.3%	4.3%
Radio/TV/Film	0	0	.0%	.0%
Books/Periodicals	3	19	3.1%	1.5%
Trade & Personal Services	20	86	20.8%	7.0%
Doctors	11	39	11.5%	3.2%
Other Health	1	6	1.0%	.5%
Federal & Foreign	0	0	.0%	.0%
Provincial	0	0	.0%	.0%
Regional & Local	0	0	.0%	.0%
Associations	1	4	1.0%	.3%
TOTAL	96	1,229	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: Milliken

TOTAL EMPLOYMENT GROWTH

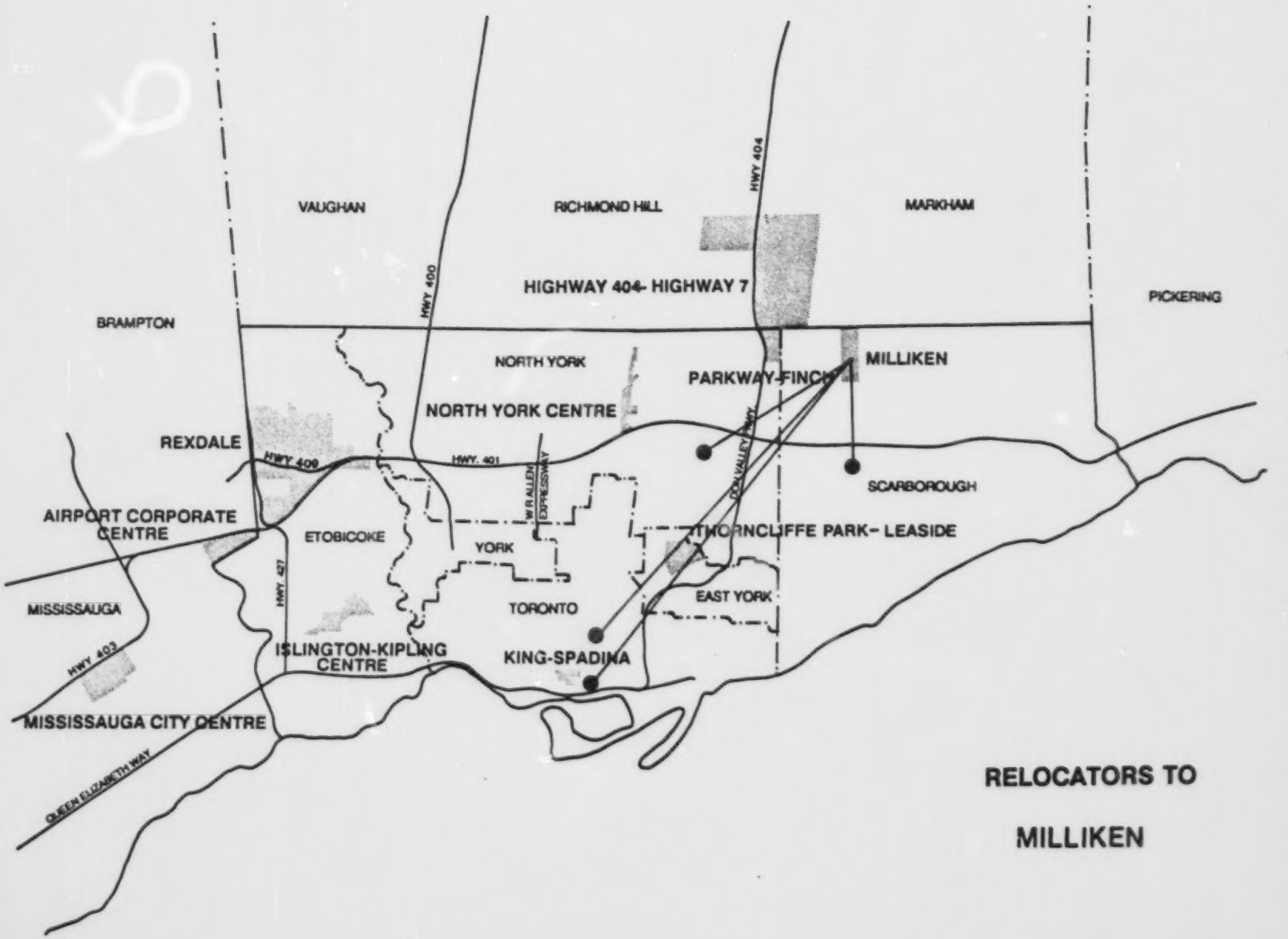
	1983		1986		1988		Employment Growth		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	40	1,070	54	953	55	1,099	146	29	-324.4%
Ter/St/Tr*	0	0	17	667	16	141	(526)	141	1168.9%
Retail - Shop	17	106	23	109	29	200	91	94	-202.2%
Retail - Serv	14	73	25	170	27	212	42	139	-93.3%
Services/Accessories	0	0	0	0	0	0	0	0	.0%
Office - Government	0	0	0	0	0	0	0	0	.0%
Office - Other	45	1,301	92	1,022	96	1,229	207	(72)	-460.0%
Institutional	1	3	3	9	4	16	7	13	-15.6%
Recreational	0	0	0	0	0	0	0	0	.0%
Const/Other	1	2	2	12	0	0	(12)	(2)	26.7%
TOTAL	118	2,555	216	2,942	227	2,897	(45)	342	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	2	71	0	0	0	0	0	(71)	.0%	0	.0%
Manufacturing	1	1	3	18	2	25	7	24	3.4%	0	.0%
Transport./Const.	31	1,190	31	636	32	819	183	(371)	88.4%	9	34.6%
Bank	0	0	0	0	0	0	0	0	.0%	0	.0%
FIRE	1	1	3	9	3	7	(2)	6	-1.0%	2	7.7%
Law	0	0	0	0	0	0	0	0	.0%	0	.0%
Other Bus. Services	3	11	13	129	17	171	42	160	20.3%	5	19.2%
Technical Services	2	9	3	16	6	53	37	44	17.9%	2	7.7%
Radio/TV/Film	0	0	1	1	0	0	(1)	0	-.5%	0	.0%
Books/Periodicals	0	0	3	20	3	19	(1)	19	-.5%	1	3.8%
Trade & Personal Serv	5	18	24	160	20	86	(74)	68	-35.7%	3	11.5%
Doctors	0	0	8	24	11	39	15	39	7.2%	3	11.5%
Other Health	0	0	3	9	1	6	(3)	6	-1.4%	1	3.8%
Federal & Foreign	0	0	0	0	0	0	0	0	.0%	0	.0%
Provincial	0	0	0	0	0	0	0	0	.0%	0	.0%
Regional & Local	0	0	0	0	0	0	0	0	.0%	0	.0%
Associations	0	0	0	0	1	4	4	4	1.9%	0	.0%
TOTAL	45	1,301	92	1,022	96	1,229	207	(72)	100.0%	26	

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department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NORTH YORK CENTRE
REXDALE
HWY 409
HWY. 401
W.R.ALLEN EXPRESSWAY
DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
YORK
THORNCLIFFE PARK- LEASIDE
HWY 427
EAST YORK
MISSISSAUGA
TORONTO
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
MILLIKEN

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

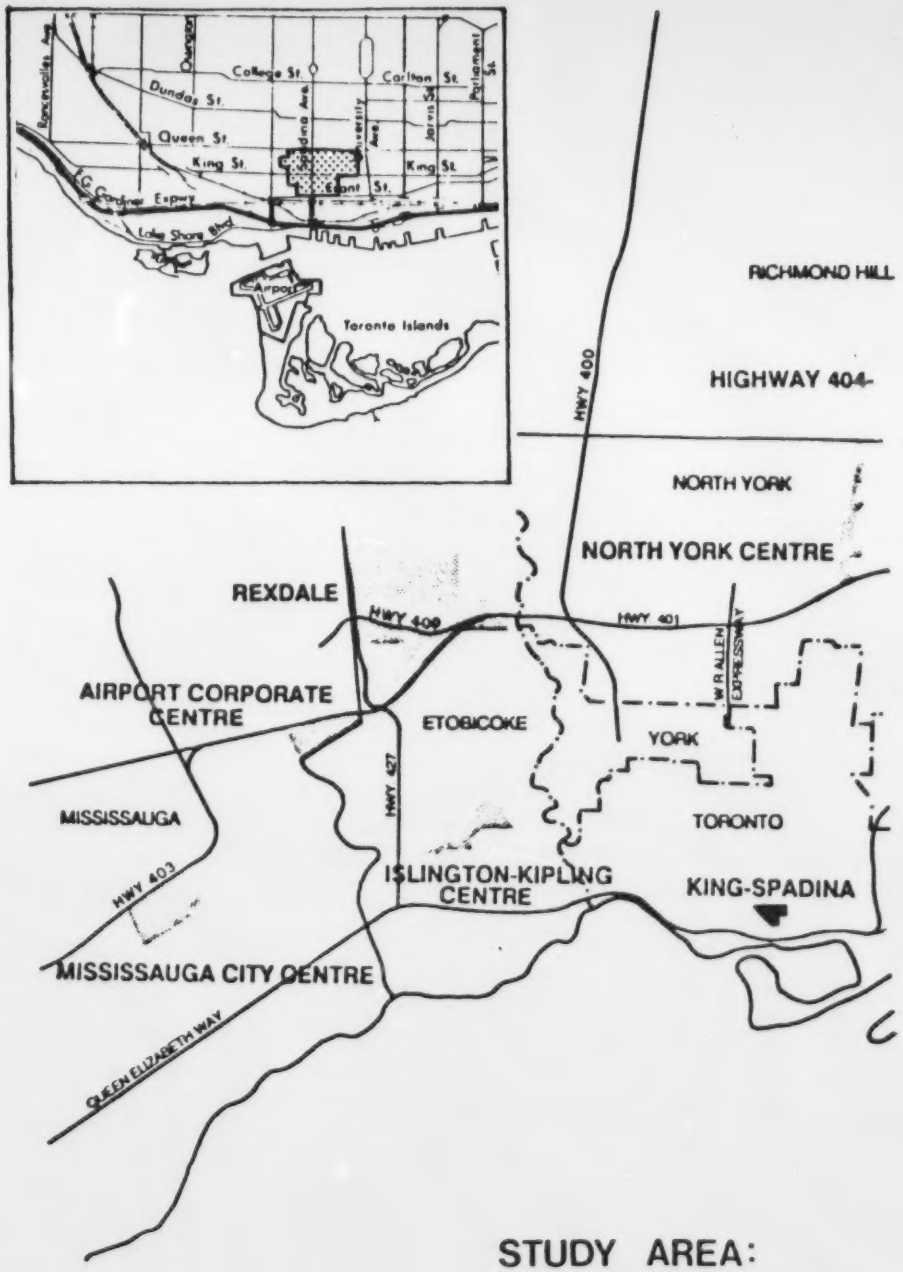
- Only 13 firms within the Milliken area qualified for and participated in the study.
- Most part of the thirteen firms belong to the FIRE (33%) category. While another 33% belong to other, the remainder are evenly distributed between the construction and business services categories.
- The thirteen firms comprise a total of only 170 employees of which 55% are male.
- Milliken has the lowest proportion of relocators, and the highest proportion of new companies. However, of the relocators it has the highest proportion of relocators from a different area who cited high rental rates and inadequate supply of space as two of the main reasons for leaving.

o Location Factors, Advantages, And Disadvantages

- The most mentioned factors affecting location decision include location in Metro Municipal Boundaries, profile or status of area, and the general appearance of area.
- Proximity to highway, proximity to executive homes, and proximity to labour supply are the most noted advantages of the Milliken area. Therefore, employee access appears to be an important location factor for Milliken firms.
- Although all of the Milliken surveyed firms' employees drive to work, lack/cost of parking is cited as one of the most common disadvantages.
- Overall, the majority (58%) rated the area as "good", while 8% described it as "fair" and 33% as "excellent".

o Comments

- "Make the building permit process quicker"
- "Lower taxes for Scarborough"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ETOBICOKE
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MISSISSAUGA
TORONTO
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
STUDY AREA:
KING-SPADINA

VI KING-SPADINA INDUSTRIAL AREA

A. LOCATION DESCRIPTION

The King-Spadina industrial area is located in Toronto just west of the downtown Core. The area is bounded by Queen Street on the north, Front Street on the south, John and Simcoe Streets on the east and Portland and Bathurst Streets on the west. There is good highway accessibility to the Gardiner Expressway. The area also has good bus and streetcar service with the eastern part of the area within walking distance of several subway stations as well as Union Station which provides Go rail service.

This is an older inner city industrial area developed at high densities. It contains a mix of industrial, office and entertainment and retail uses and is the centre of the garment district. Surrounding the area are industrial and residential areas as well as high density commercial development. The area is experiencing strong pressures to redevelop or reuse industrial sites for offices.

The King-Spadina area is part of the Central Area designated in both the Metro Toronto and City of Toronto Official Plans. It is also designated as an industrial area for industrial and office uses in the Toronto Official Plan.

B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- Total employment declined 1.2% from 1983 to 1988. For the 1986-1988 period, however, a slight increase of 2.4% was experienced in total employment.

- The manufacturing sector accounted for the majority of lost total employment from 1983 to 1988.

- Unlike total employment, total office employment experienced substantial growth of 49.1% from 1983 to 1988 and 14.1% from 1986 to 1988.

- For 1983-1988 business services, technical services, and FIRE accounted for the highest share in office employment growth.

o Employment Structure

- The total employment structure shifted from manufacturing and office being the primary and secondary sources of employment in 1983, to office as the primary and manufacturing as the secondary in 1988. This is due to a 51% increase in office employment and a 40.4% decrease in manufacturing employment. A shift from manufacturing to office employment is quite evident.

- Total office employment increased from 30% of total employment in 1983 to 45% of total employment in 1988.

- The other business services and books/periodicals categories remained the largest office employment sectors from 1983 to 1988.

AREA: King/Spadina

1988 TOTAL EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Manufacturing	337	5,751	19.9%	30.1%
Ter/St/Tr*	48	293	2.8%	1.5%
Retail - Shop	289	2,053	17.1%	10.7%
Retail - Serv	147	1,975	8.7%	10.3%
Services/Accessories	2	28	.1%	.1%
Office - Government	4	36	.2%	.2%
Office - Other	825	8,617	48.8%	45.1%
Institutional	15	212	.9%	1.1%
Recreational	23	104	1.4%	.5%
Const/Other	2	41	.1%	.2%
TOTAL	1,692	19,110	100.0%	100.0%

1988 OFFICE EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Primary	7	43	.8%	.5%
Manufacturing	8	114	1.0%	1.3%
Transport./Const.	16	135	1.9%	1.6%
Bank	12	241	1.4%	2.8%
FIRE	45	812	5.4%	9.4%
Law	25	198	3.0%	2.3%
Other Bus. Services	307	2,389	37.0%	27.6%
Technical Services	60	933	7.2%	10.8%
Radio/TV/Film	32	771	3.9%	8.9%
Books/Periodicals	81	1,603	9.8%	18.5%
Trade & Personal Services	197	1,071	23.8%	12.4%
Doctors	2	7	.2%	.1%
Other Health	0	0	.0%	.0%
Federal & Foreign	1	9	.1%	.1%
Provincial	1	7	.1%	.1%
Regional & Local	2	20	.2%	.2%
Associations	33	300	4.0%	3.5%
TOTAL	829	8,653	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: King/Spadina

TOTAL EMPLOYMENT GROWTH

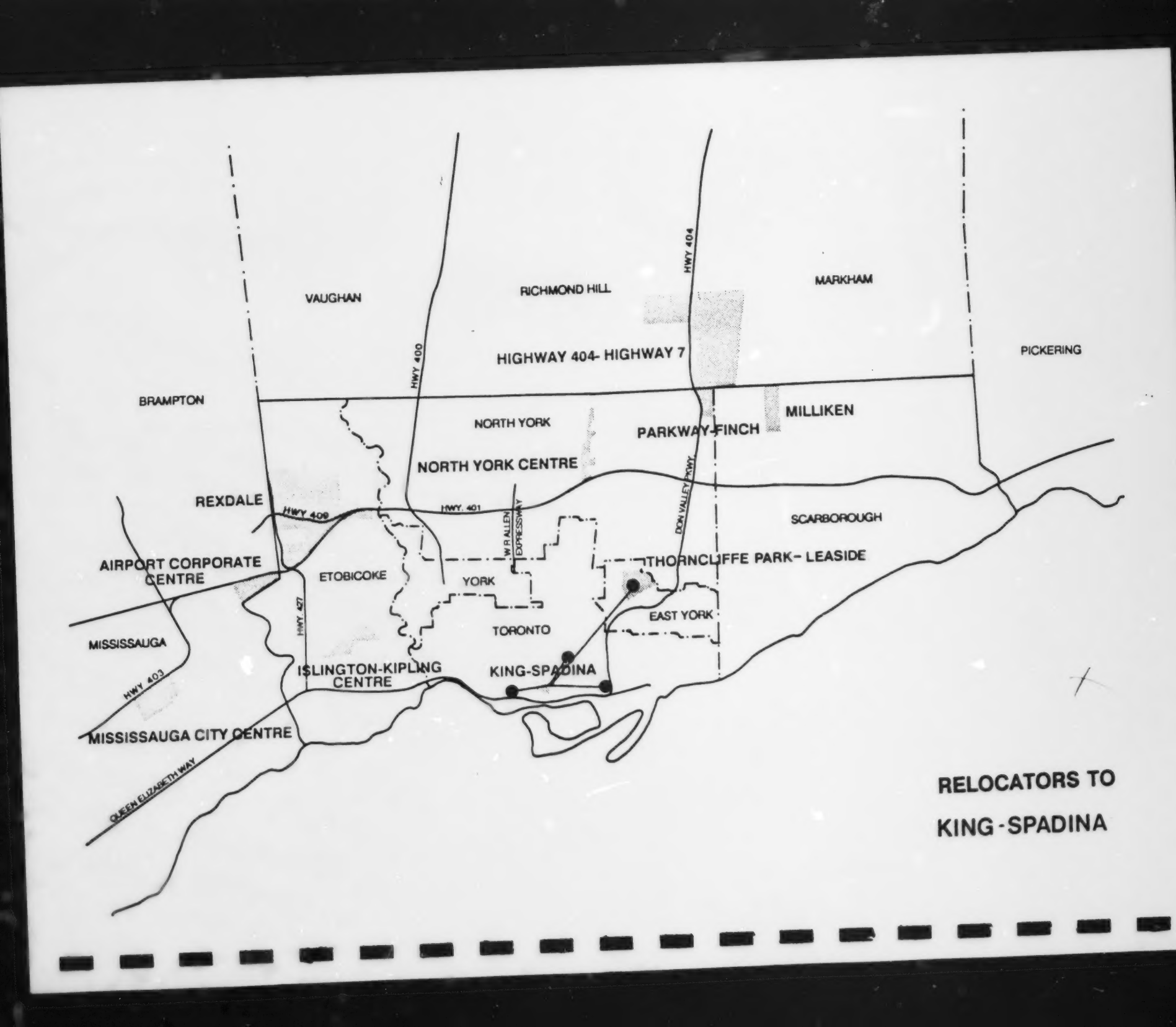
	1983		1986		1988		Employment Growth		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	451	9,652	409	7,105	337	5,751	(1,354)	(3,901)	-307.0%
Ter/St/Tr*	59	224	58	277	48	293	16	69	3.6%
Retail - Shop	341	1,888	291	1,628	289	2,053	425	165	96.4%
Retail - Serv	125	1,264	143	1,663	147	1,975	312	711	70.7%
Services/Accessories	2	21	2	42	2	28	(14)	7	-3.2%
Office - Government	5	102	8	130	4	36	(94)	(66)	-21.3%
Office - Other	560	5,700	778	7,453	825	8,617	1,164	2,917	263.9%
Institutional	16	140	11	216	15	212	(4)	72	-.9%
Recreational	17	71	25	83	23	104	21	33	4.8%
Const/Other	10	278	6	72	2	41	(31)	(237)	-7.0%
TOTAL	1,586	19,340	1,731	18,669	1,692	19,110	441	(230)	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	1	1	1	14	7	43	29	42	2.7%	3	11.5%
Manufacturing	42	507	13	381	8	114	(267)	(393)	-25.0%	4	1.3%
Transport./Const.	17	171	16	193	16	135	(58)	(36)	-5.4%	7	2.2%
Bank	9	254	11	253	12	241	(12)	(13)	-1.1%	2	.6%
FIRE	23	255	31	311	45	812	501	557	46.8%	10	3.2%
Law	27	121	31	196	25	198	2	77	.2%	6	1.9%
Other Bus. Services	221	1,448	252	1,723	307	2,389	666	941	62.2%	142	45.1%
Technical Services	30	266	59	711	60	933	222	667	20.7%	17	5.4%
Radio/TV/Film	24	313	25	433	32	771	338	458	31.6%	14	4.4%
Books/Periodicals	37	1,413	65	1,625	81	1,603	(22)	190	-2.1%	36	11.4%
Trade & Personal Serv	99	639	247	1,341	197	1,071	(270)	432	-25.2%	59	18.7%
Doctors	1	2	2	7	2	7	0	5	.0%	0	.0%
Other Health	2	6	2	29	0	0	(29)	(6)	-2.7%	0	.0%
Federal & Foreign	2	69	2	9	1	9	0	(60)	.0%	0	.0%
Provincial	1	9	2	38	1	7	(31)	(2)	-2.9%	0	.0%
Regional & Local	2	24	4	83	2	20	(63)	(4)	-5.9%	0	.0%
Associations	27	304	23	236	33	300	64	(4)	6.0%	15	4.8%
TOTAL	565	5,802	786	7,583	829	8,653	1,070	2,851	100.0%	315	

*Terminal WArehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department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SCARBOROUGH
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TORONTO
MISSISSAUGA
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
KING-SPADINA

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

- In comparison to the other areas, King Spadina has the highest proportion (75%) of firms in the business services category. This is likely due to the areas high level of graphic design and advertising type services.

- Total employment of the sample consists of 349 employees, of which 55% are female.

- Like North York Centre and Islington Kipling Centre, the King Spadina area has one of the lowest proportions of employees who drive to work and one of the highest proportions of female employees. These characteristics can be warranted to the areas' good public transit access.

- The majority of the firms are relocators and the requirement for space was the major reason for relocation. King Spadina's proportion of relocators from within the same area is the highest in comparison to the other study areas.

o Location Factors, Advantages, And Disadvantages

- Location within Metro Municipal Boundaries, general appearance of area, and profile or status of area were the factors most mentioned as important to location decision.

- The most common advantage of the area amongst the surveyed firms was good public transit. Other main advantages include low rents, proximity to highway, convenience for clients, and proximity to similar firms.

- The major disadvantages include lack/cost of parking, traffic congestion, and high rent.

- Again, the low proportion of employees who drive to work is supported by the fact that good public transit was the most cited advantage and lack/cost of parking was a common disadvantage.

- Overall, the majority of firms rated the King/Spadina area as either "good" or "excellent".

- **Comments**

  - "More control on zoning"
  - "Major road improvements and improved transportation system is definitely required for future development in area"
  - "More green space in CBD"

STUDY AREA:

REXDALE

VII REXDALE INDUSTRIAL AREA

A. LOCATION DESCRIPTION

The Rexdale industrial area in Etobicoke is generally bounded by Highway 401 on the south, Highway 427 on the west and Rexdale Boulevard on the north. This very large industrial area has excellent highway accessibility and is adjacent to Pearson Airport. Several arterial roads run through the district. Bus service is provided on several routes but the closest subway station is quite a distance away at Kipling and Islington stations on the Bloor line. There is a Go rail stop at Kipling and Belfield.

The area is primarily industrial although there is a fairly large amount of office and retail development. This is a relatively new industrial area with some remaining vacant land. Woodbine Racetrack occupies a large amount of land in the industrial area and the Airport Strip Office Park with offices and hotels intersects the area.

The Etobicoke Official Plan designates the area as an industrial area.

B. EMPLOYMENT GROWTH & STRUCTURE

o Employment Growth

- Total employment declined 3.2% overall from 1983 to 1988 but grew 5.3% from 1986 to 1988.

- The decline in total employment for 1983-1988 can be attributed mainly to losses in the manufacturing and retail-shop sectors. While growth for 1986-1988 is attributed mainly to the non-government office sector.

- Almost no total office employment growth occurred from 1983 to 1988. However, total office employment grew 24% for the 1986-1988 period. This is the result of a major loss in the associations office employment sector from 1983 to 1986 and then off-set by a major gain in the manufacturing office employment sector from 1986 to 1988.

o Employment Structure

- The manufacturing and non-government office sectors remained the two largest employment sectors from 1983 to 1988.

- Total office employment of total employment remained fairly consistent at 30% in 1983 and 31% in 1988.

- The major office employment categories for 1983 included associations first, trade and personal services second, and manufacturing third. By 1988 a shift occurred to manufacturing first, trade and personal services still second, and other business services third.

AREA: Rexdale (Excl. Office Park)

1988 TOTAL EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Manufacturing	265	15,267	25.9%	40.9%
Ter/St/Tr*	72	3,433	7.0%	9.2%
Retail - Shop	132	2,213	12.9%	5.9%
Retail - Serv	119	1,932	11.6%	5.2%
Services/Accessories	7	1,152	.7%	3.1%
Office - Government	1	3	.1%	.0%
Office - Other	413	11,588	40.4%	31.0%
Institutional	5	519	.5%	1.4%
Recreational	4	1,226	.4%	3.3%
Const/Other	4	27	.4%	.1%
TOTAL	1,022	37,360	100.0%	100.0%

1988 OFFICE EMPLOYMENT

	Firms	Employees	Distribution Firms	Distribution Employees
Primary	5	66	1.2%	.6%
Manufacturing	63	3,595	15.2%	31.0%
Transport./Const.	57	1,170	13.8%	10.1%
Bank	7	168	1.7%	1.4%
FIRE	35	529	8.5%	4.6%
Law	7	131	1.7%	1.1%
Other Bus. Services	110	2,077	26.6%	17.9%
Technical Services	33	783	8.0%	6.8%
Radio/TV/Film	1	6	.2%	.1%
Books/Periodicals	10	378	2.4%	3.3%
Trade & Personal Services	66	2,385	15.9%	20.6%
Doctors	2	10	.5%	.1%
Other Health	4	116	1.0%	1.0%
Federal & Foreign	1	3	.2%	.0%
Provincial	0	0	.0%	.0%
Regional & Local	0	0	.0%	.0%
Associations	13	174	3.1%	1.5%
TOTAL	414	11,591	100.0%	100.0%

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department

AREA: Rexdale (Excl. Office Park)

TOTAL EMPLOYMENT GROWTH

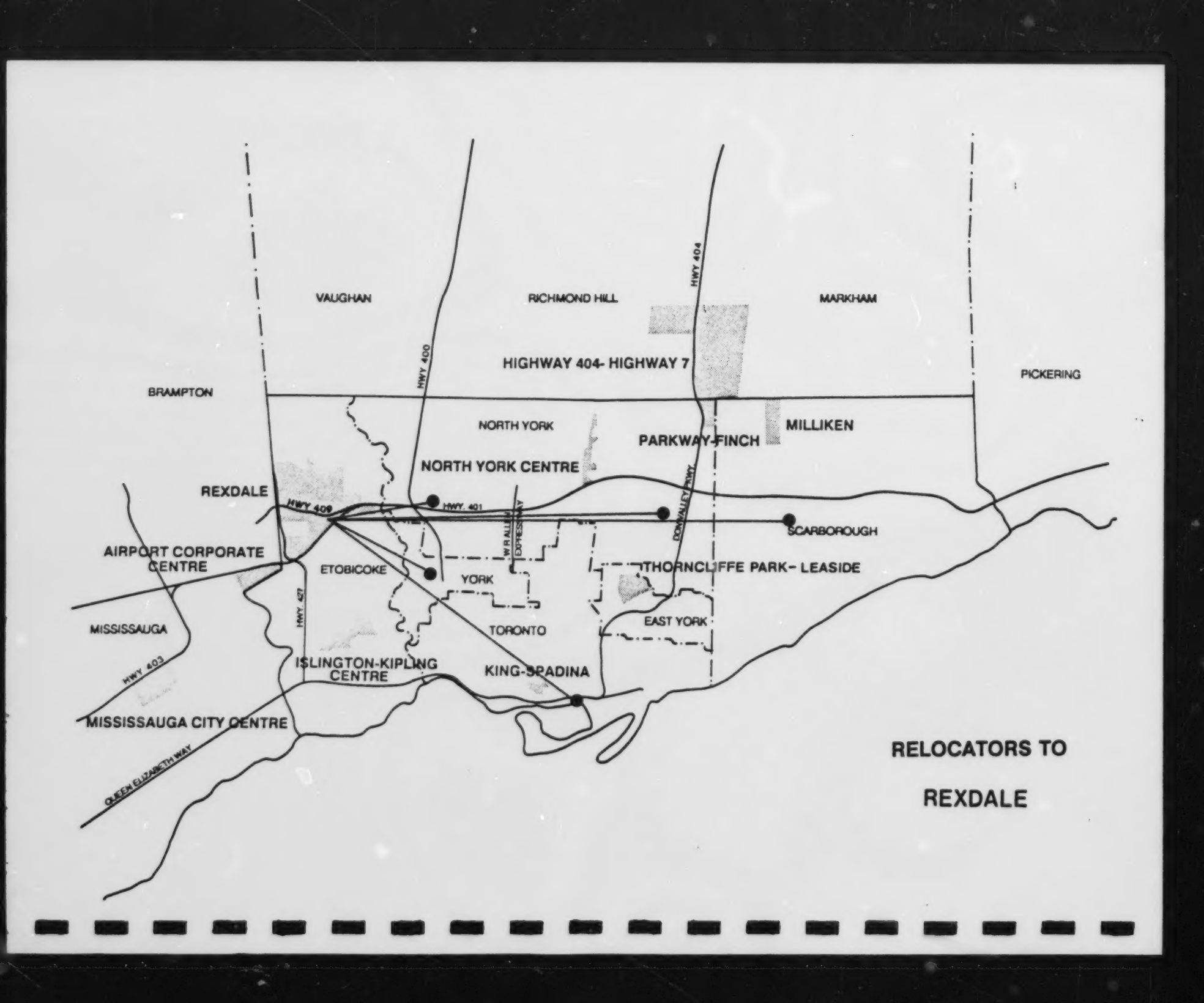
	1983		1986		1988		Employment Growt		Share Of Growth
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88
Manufacturing	320	17,665	258	16,037	265	15,267	(770)	(2,398)	-40.8%
Ter/St/Tr*	50	2,198	72	3,182	72	3,433	251	1,235	13.3%
Retail - Shop	130	3,376	129	2,755	132	2,213	(542)	(1,163)	-28.7%
Retail - Serv	146	1,946	113	1,731	119	1,932	201	(14)	10.7%
Services/Accessories	8	1,483	6	931	7	1,152	221	(331)	11.7%
Office - Government	1	180	2	170	1	3	(167)	(177)	-8.9%
Office - Other	455	11,401	368	9,181	413	11,588	2,407	187	127.6%
Institutional	5	270	6	348	5	519	171	249	9.1%
Recreational	4	60	4	1,100	4	1,226	126	1,166	6.7%
Const/Other	0	0	4	39	4	27	(12)	27	-.6%
TOTAL	1,119	38,579	962	35,474	1,022	37,360	1,886	(1,219)	100.0%

OFFICE EMPLOYMENT GROWTH

	1983		1986		1988		Employment Growth		Share Of Growth	Sample Size	
	Firms	Employees	Firms	Employees	Firms	Employees	1986-88	1983-88	1986-88	Firms	Dist.
Primary	1	20	3	115	5	66	(49)	46	-2.2%	2	2.0%
Manufacturing	51	1,613	37	1,544	63	3,595	2,051	1,982	91.6%	12	12.2%
Transport./Const.	72	1,591	49	1,133	57	1,170	37	(421)	1.7%	14	14.3%
Bank	10	220	6	135	7	168	33	(52)	1.5%	1	1.0%
FIRE	20	182	26	355	35	529	174	347	7.8%	14	14.3%
Law	5	55	6	94	7	131	37	76	1.7%	1	1.0%
Other Bus. Services	136	1,472	90	1,313	110	2,077	764	605	34.1%	34	34.7%
Technical Services	37	699	34	939	33	783	(156)	84	-7.0%	7	7.1%
Radio/TV/Film	2	120	0	0	1	6	6	(114)	.3%	0	.0%
Books/Periodicals	16	577	9	395	10	378	(17)	(199)	-.8%	3	3.1%
Trade & Personal Serv	89	2,089	91	2,534	66	2,385	(149)	296	-6.7%	5	5.1%
Doctors	2	7	2	10	2	10	0	3	.0%	0	.0%
Other Health	4	402	4	448	4	116	(332)	(286)	-14.8%	0	.0%
Federal & Foreign	0	0	1	20	1	3	(17)	3	-.8%	1	1.0%
Provincial	0	0	0	0	0	0	0	0	.0%	0	.0%
Regional & Local	1	180	1	150	0	0	(150)	(180)	-6.7%	0	.0%
Associations	10	2,354	11	166	13	174	8	(2,180)	.4%	4	4.1%
TOTAL	456	11,581	370	9,351	414	11,591	2,240	10	100.0%	98	

*Terminal Warehouse/Storage/Transportation

Source: Metro Toronto Employment Survey, Metropolitan Toronto Planning Department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EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
REXDALE

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

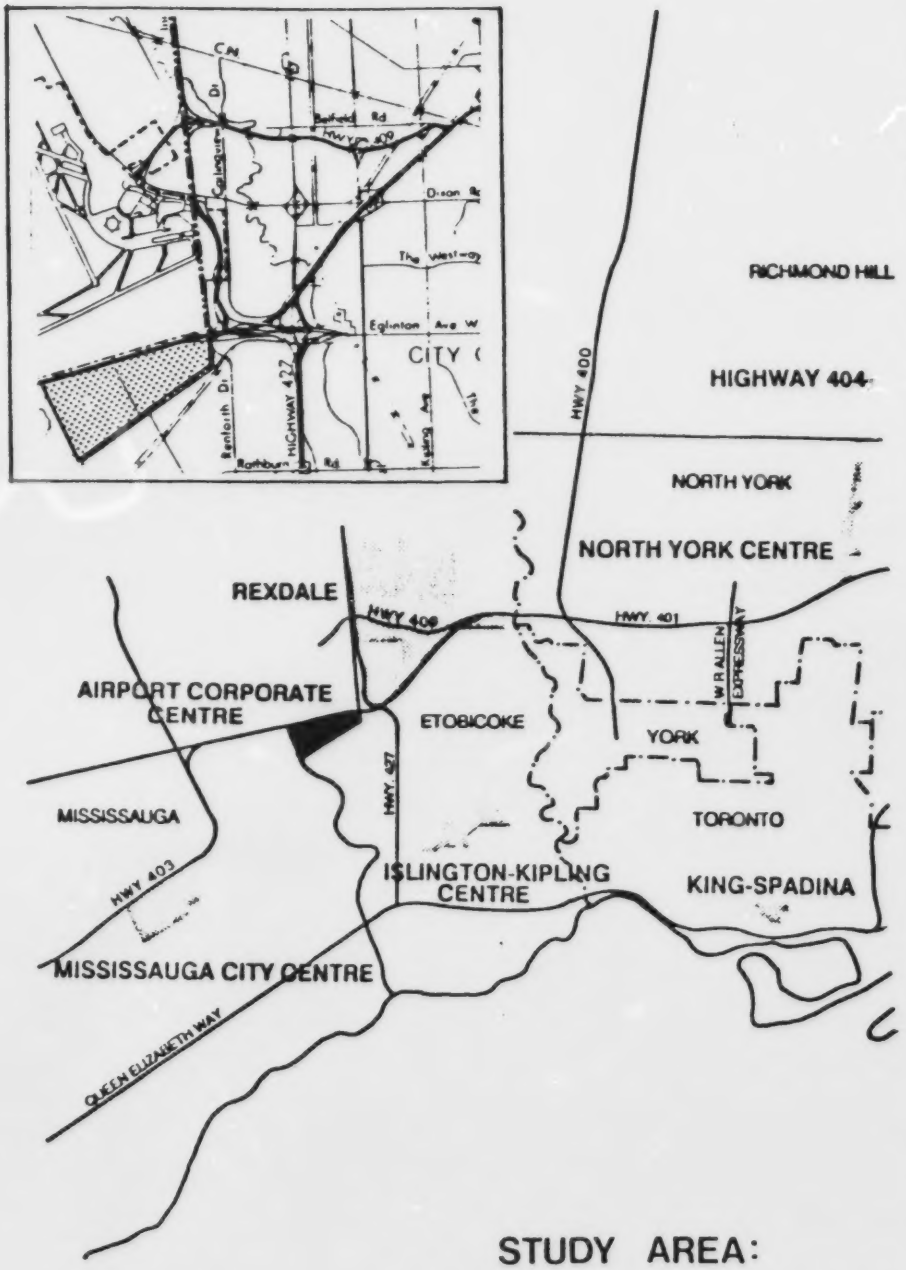
- The major business types of the twenty surveyed firms for the Rexdale area include business services, manufacturing, FIRE, and other. Its proportion of firms within the manufacturing category is the highest amongst all the study areas.
- The sample comprises 890 total employees of which 58% are male.
- The majority, 75%, of the twenty firms are relocators. Of these relocators, 60% (one of the highest proportions) are from the same area.

o Location Factors, Advantages, And Disadvantages

- The most common factors affecting the location decision include general appearance of area, profile or status of area, and property/business taxes.
- Of the many sited advantages, proximity to airport, proximity to highway, and convenience for clients were the most common.
- Although the surveys reveal that 100% of the employees in the Rexdale area drive to work, traffic congestion and lack/cost of parking are amongst the most recognized disadvantages. Nonetheless, the relocators from a different area cite lack of sufficient parking and traffic congestion as two major reasons for leaving the previous area.
- Overall, the area was mainly rated as either "good" (50%) or "excellent" (40%).

o Comments

- "Improve the road network"
- "Better public transit to office areas"
- "Property taxes too high"
- "Getting to areas of employment is too time consuming"



STUDY AREA:
AIRPORT-CORPORATE
CENTRE

VIII AIRPORT CORPORATE CENTRE

A. LOCATION DESCRIPTION

The Airport Corporate Centre is located in the eastern part of Mississauga in the Region of Peel. It is bounded by Highway 401 on the north and east, Eglinton Avenue on the south and the Etobicoke Creek on the west. It is adjacent to the City of Etobicoke which surrounds it to the east and south. The area has excellent highway accessibility to Highways 401 and 427 and is directly south of Pearson Airport. Regular bus service is available along Eglinton Avenue at a frequency of every 60 minutes while rush hour service to the interior of the centre is available every 30 minutes.

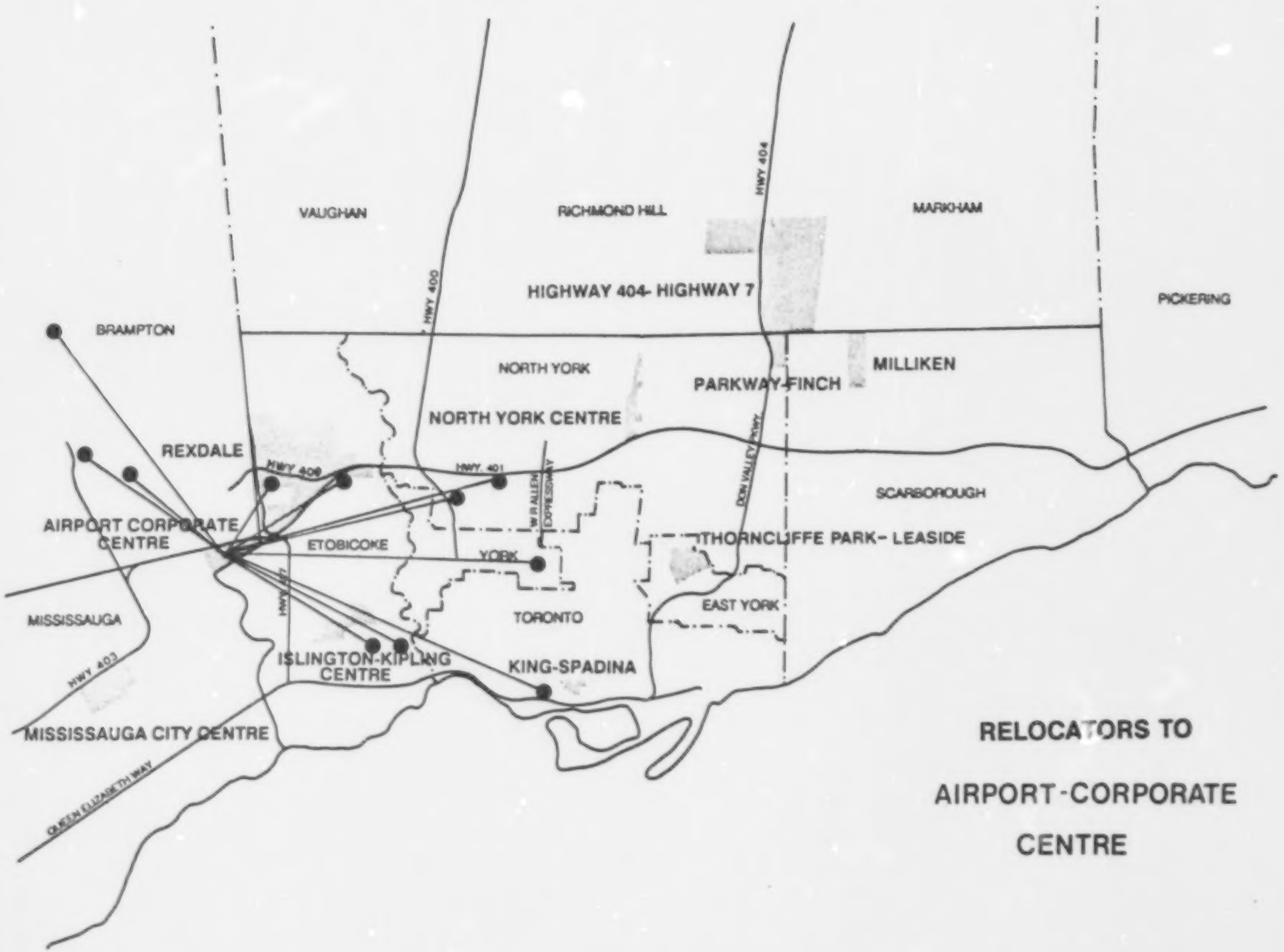
Most of the land in the area is used for agricultural purposes. There is some new industrial and office development in the area with major potential for further development.

The Mississauga Official Plan designates the area as a Prestige Industrial area for offices, industrial and other commercial uses.

B. EMPLOYMENT GROWTH AND STRUCTURE

The Airport area has emerged within the past five years as one of the highest growth areas in the GTA. Due to the limited employment data available for the Airport Corporate Centre, detailed historic employment growth and structure analysis could not be provided. Nonetheless, the following employment characteristics based on previous studies and analysis provides a general description.

Major office employment categories include business and transportation/communications which demand a location in close proximity to Pearson International, good highway access, and large stand-alone buildings. A wide range of prominent firms such as Northern Telecom, Gorrie Advertising, Chubb Alarms, Purolator Courier, along with numerous other couriers and computer type companies are located within the Airport Corporate Centre. The further development of the Airport Corporate Centre will further enhance the strength of this area.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ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
AIRPORT-CORPORATE
CENTRE

C. SURVEY SUMMARY

- **Major Characteristics Of Surveyed Firms**

  - The twenty surveyed firms within the Airport Corporate Centre reveal a wide range of business types. The largest category is business services with 30% of the twenty firms, while the remaining 70% are distributed among the other categories.

  - The twenty firms include a total of 1413 total employees. 54% of the sample employment base are male.

  - The majority, 80%, are relocators. The Airport Corporate Centre has one of the highest proportions of relocators who are from a different area. This could be warranted to the fact that the majority of the Centre's development has occurred within the last three to five years.

- **Location Factors, Advantages, And Disadvantages**

  - The survey revealed that the most important location factors for this study area include profile or status of the area, general appearance of area, and property/business taxes.

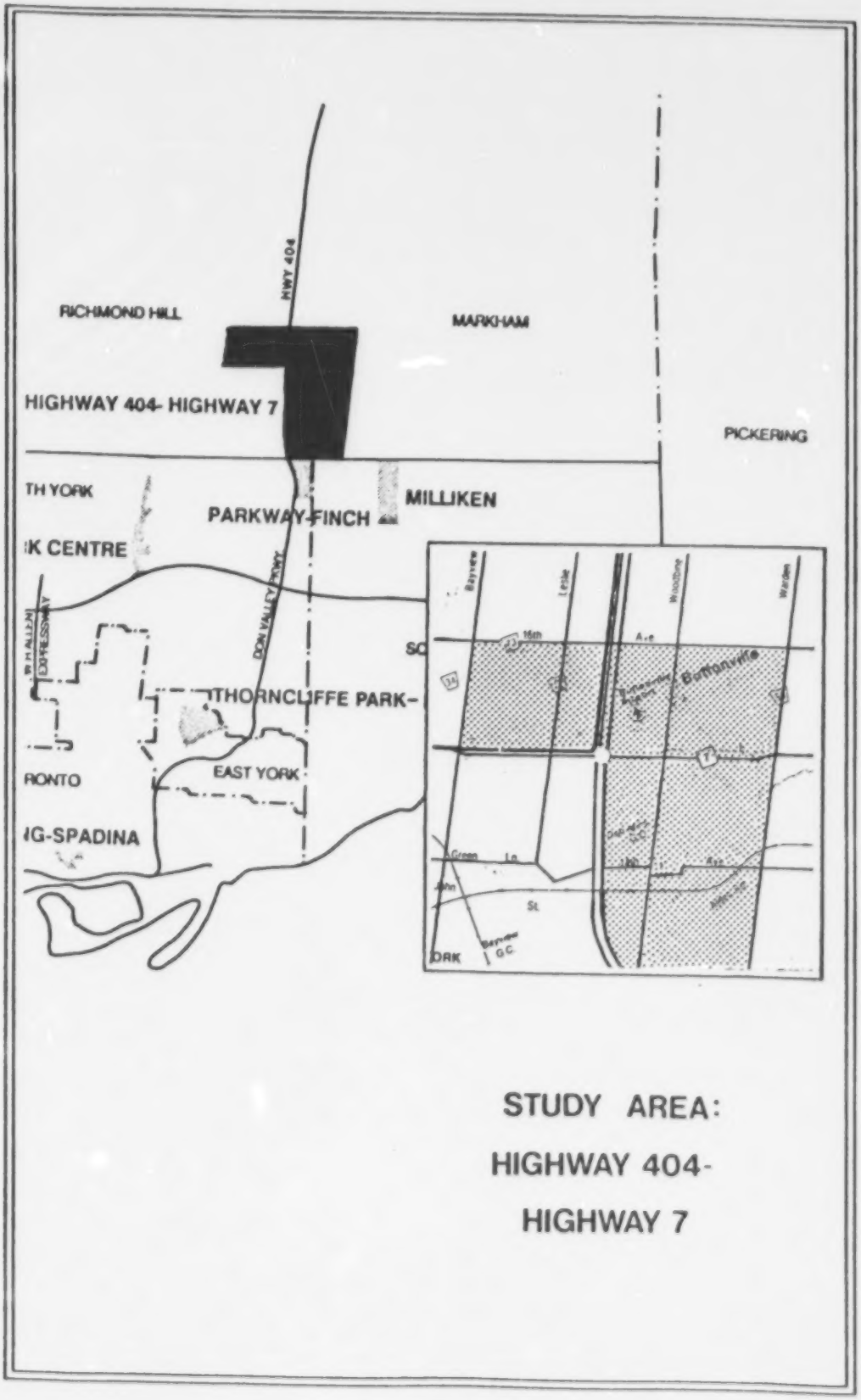
  - The type of business firms in the Airport Corporate Centre include many national and international business and transportation/communication firms, who all require proximity to Pearson International and highway accessibility for the daily operation of their businesses. This is noted in the fact that proximity to the airport and proximity to the highway are the two most common advantages.

  - Although few disadvantages were noted by the sample as a whole, the main disadvantages include traffic congestion, and poor public transit. Notably, the area also demonstrates one of the highest proportions of employees who drive to work.

  - Overall, most of the firms rated the area as either "good" (45%) or "excellent" (50%).

- **Comments**

  - "Mississauga did a great job in planning this development"
  - "Not enough new space exists in Metro that could accommodate both warehouse and office space"
  - "Better parking and access are key factors for city office parks for both employees and visitors"
  - "The mix of industrial/commercial/office space which is presently available is good"
  - "Planning office parks close to major arteries and making them extremely accessible is a key factor to attract occupiers"
  - "Traffic is a serious issue which is driving companies out of the downtown"



STUDY AREA:

HIGHWAY 404-

HIGHWAY 7

IX HIGHWAY 404-STEELES-HIGHWAY 7

A. LOCATION DESCRIPTION

This area is located directly north of Metro Toronto in Markham in the Region of York. It is bounded by Highway 404 on the west, Buttonville airport on the north, Steeles Avenue on the south and Woodbine Avenue and the hydro corridor on the east.

The area has excellent highway accessibility to Highway 404 and Highway 7 providing inter-regional access east-west. It also has direct access into Metro Toronto and downtown Toronto via the Don Valley Parkway and to Pearson Airport via Highway 401.

The area is comprised of a number of new industrial areas and business parks containing industrial, office, retail and hotel uses. Much of the land is still vacant.

The Markham Official Plan designates the area as industrial.

B. EMPLOYMENT GROWTH AND STRUCTURE

Due to the limited employment data available for the Highway 404/7 study area, detailed historic employment growth and structure analysis could not be provided. Nonetheless, the following employment characteristics based on previous studies and analysis and on 1988 total employment in the study area provides a general description.

Based on 1988 data, the Highway 404/7 study area's total employment is mainly characterized by the manufacturing and office employment sectors. In 1988, the manufacturing and office sectors together comprised the majority of total employment with 44% and 37% of total employment respectively.

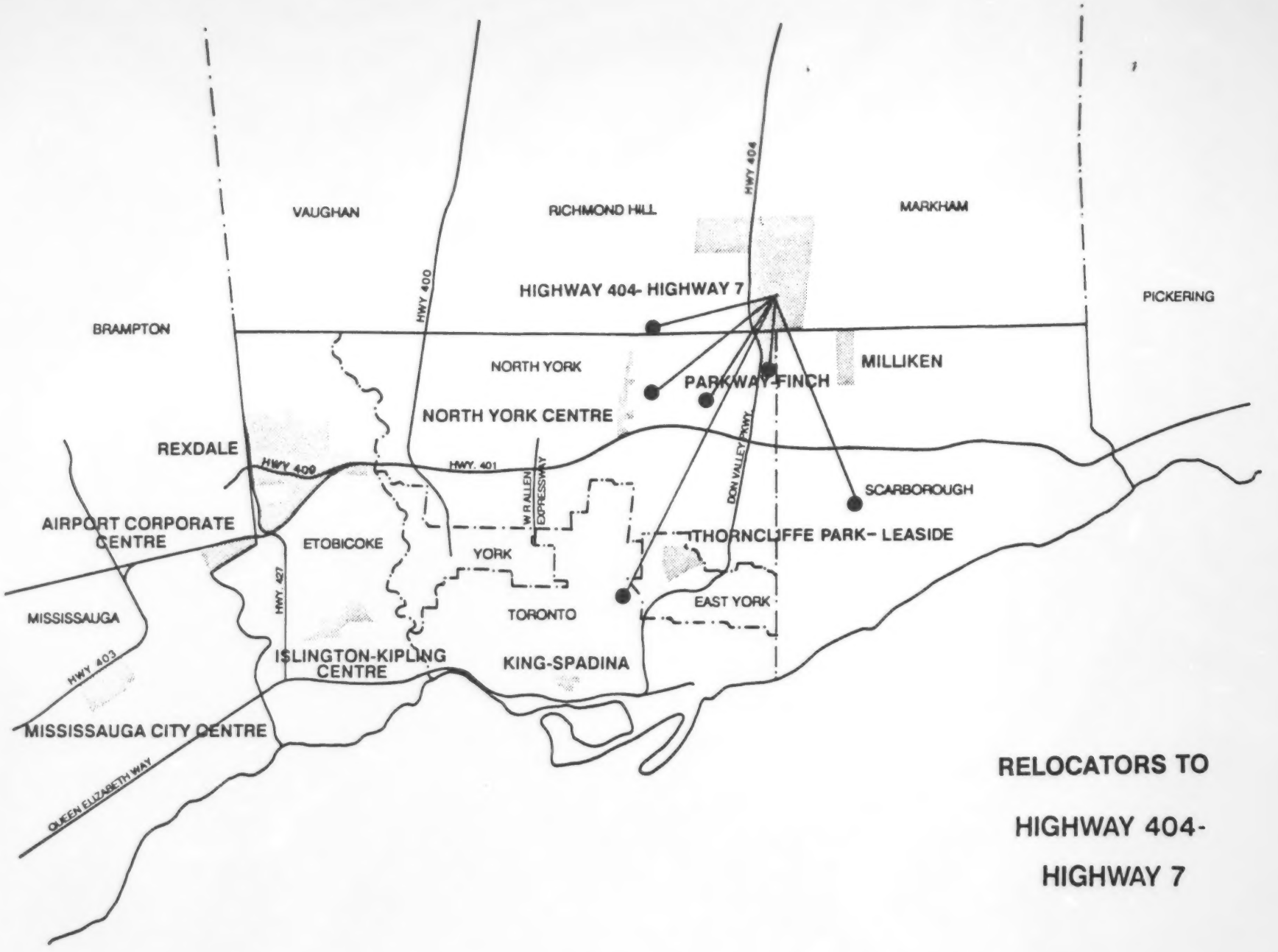
The major office employment categories within the area include financial services and technology. The financial sector of the area is distinguished by head offices of such firms as Allstate Insurance, American Express, and the Data Centre/Computer Services Division of Bank of Nova Scotia. Just as the CBD (Central Business District) is viewed as a financial core, the Highway 404/7 area is viewed as a high-tech centre since IBM located at Steeles Avenue East and Warden Avenue. The high-tech sector of the area is distinguished by head offices of such organizations as IBM Canada Ltd., Apple Canada Inc., Olivetti Canada Ltd., and numerous independent computer service firms

HIGHWAY 404/7

1988 Total Employment

	Total Employment	Total # Of Firms	% Distribution Empl.	% Distribution Firms
Primary	100	4	0.2%	0.2%
Manufacturing	21,423	1,034	44.4%	36.7%
Retail	8,181	672	17.0%	23.8%
Office	17,775	1,080	36.9%	38.3%
Institution	301	14	0.6%	0.5%
Entertainment	424	14	0.9%	0.5%
Totals	48,204	2,818	100.0%	100.0%

Source: Town of Markham, Planning Department.


VAUGHAN
RICHMOND HILL
MARKHAM
PICKERING
BRAMPTON
HWY 400
HWY 404
HIGHWAY 404- HIGHWAY 7
NORTH YORK
MILLIKEN
PARKWAY-FINCH
NORTH YORK CENTRE
REXDALE
HWY 409
HWY. 401
W R ALLEN EXPRESSWAY
DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
YORK
THORNCLIFFE PARK- LEASIDE
HWY 427
MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
HIGHWAY 404-
HIGHWAY 7

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

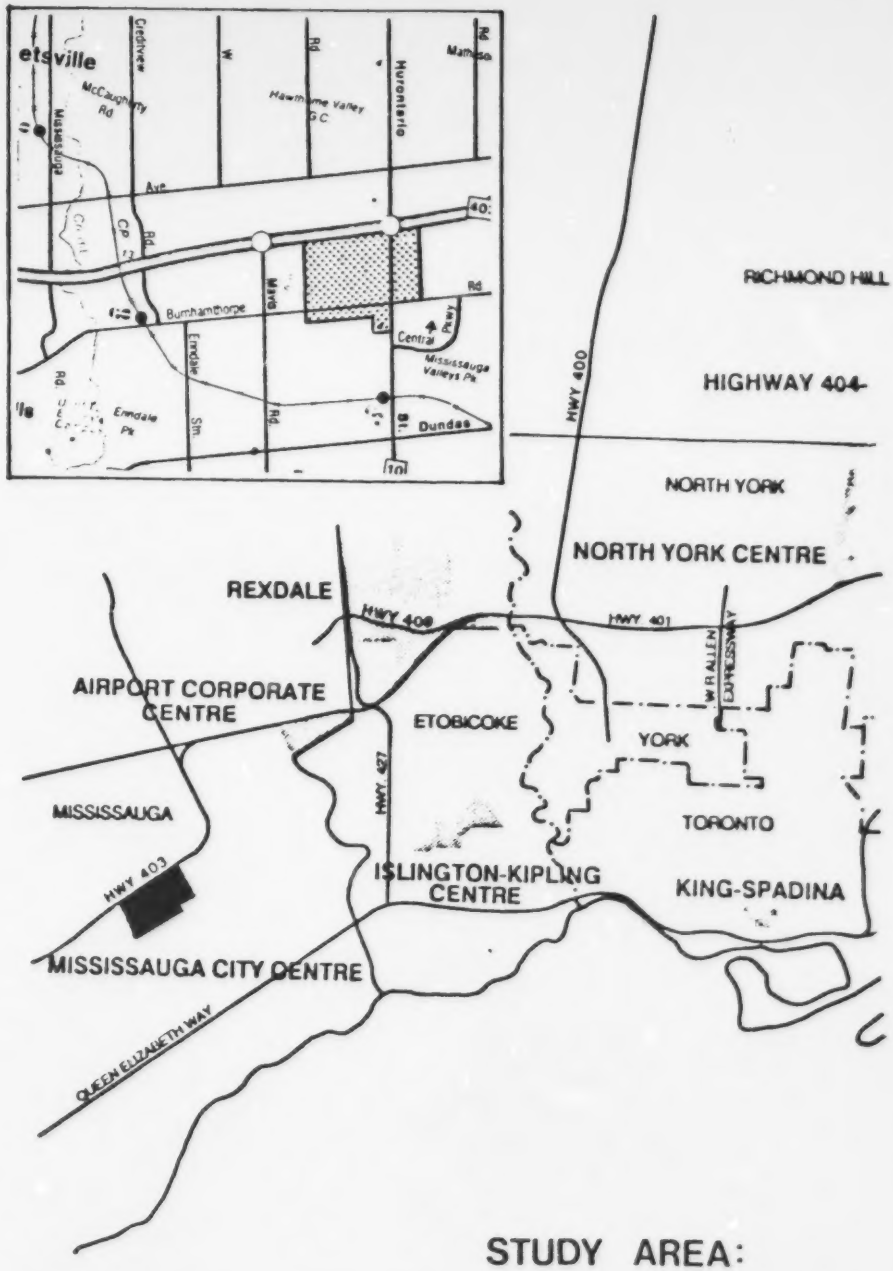
- The majority of firms in the sample are in the FIRE and business services categories.
- Total employment within the twenty surveyed firms is 1,187 employees of which 53% are male.
- The Highway 404/7 study area has the highest proportion (85%) of relocators.

o Location Factors, Advantages, And Disadvantages

- The most mentioned factors which were important in the location decision included profile or status of area, general appearance of area, and property/business taxes.
- The main advantages of the Markham study area include proximity to highway, low rents, and availability of parking. Relocators from a different area noted high rental rates as one of the major reasons for leaving. Similarly, low rental rates was cited as a main advantage. Also, the significantly high proportion (95%) of the employees who drive to work is supported in that proximity to highway and availability of parking are main advantages of the area.
- Main disadvantages include poor access to downtown Toronto by both auto and transit, and poor retail services.
- The majority of respondents rated the area as "good" in meeting the firm's needs, while the remainder rated the area as "excellent".

- **Comments**

  - "Parking is critical for large suburban companies"
  - "Access and parking are major factors for office areas"
  - "Traffic congestion is pushing firms out of downtown Toronto"
  - "Better transit service is necessary for suburban office parks in order to provide better access into Metro"
  - "Mixed residential, commercial, and industrial uses is good. Improve transportation systems so people will be willing to commute"
  - "More open space and fresh air is essential in office buildings"



STUDY AREA:
MISSISSAUGA CITY
CENTRE

X MISSISSAUGA CITY CENTRE

A. LOCATION DESCRIPTION

The Mississauga City Centre has a central location within Mississauga about 30 kilometres from downtown Toronto and 13 kilometres from Pearson Airport. The Centre is generally bounded by Highway 403 to the north, Burnhamthorpe Road to the south and Hurontario Street to the east. There is direct access to Highway 403 which leads to Highways 401 and 410. The Centre is also well served by two arterial roads and a bus terminal for Mississauga Transit and Go Transit buses. A number of bus routes serve the Centre. There is a Go bus service connecting the City Centre with Hamilton and downtown Toronto. Although there is no rail or rapid transit service to the Centre, buses connect the Centre with the Islington subway station and Erindale and Cooksville Go stations.

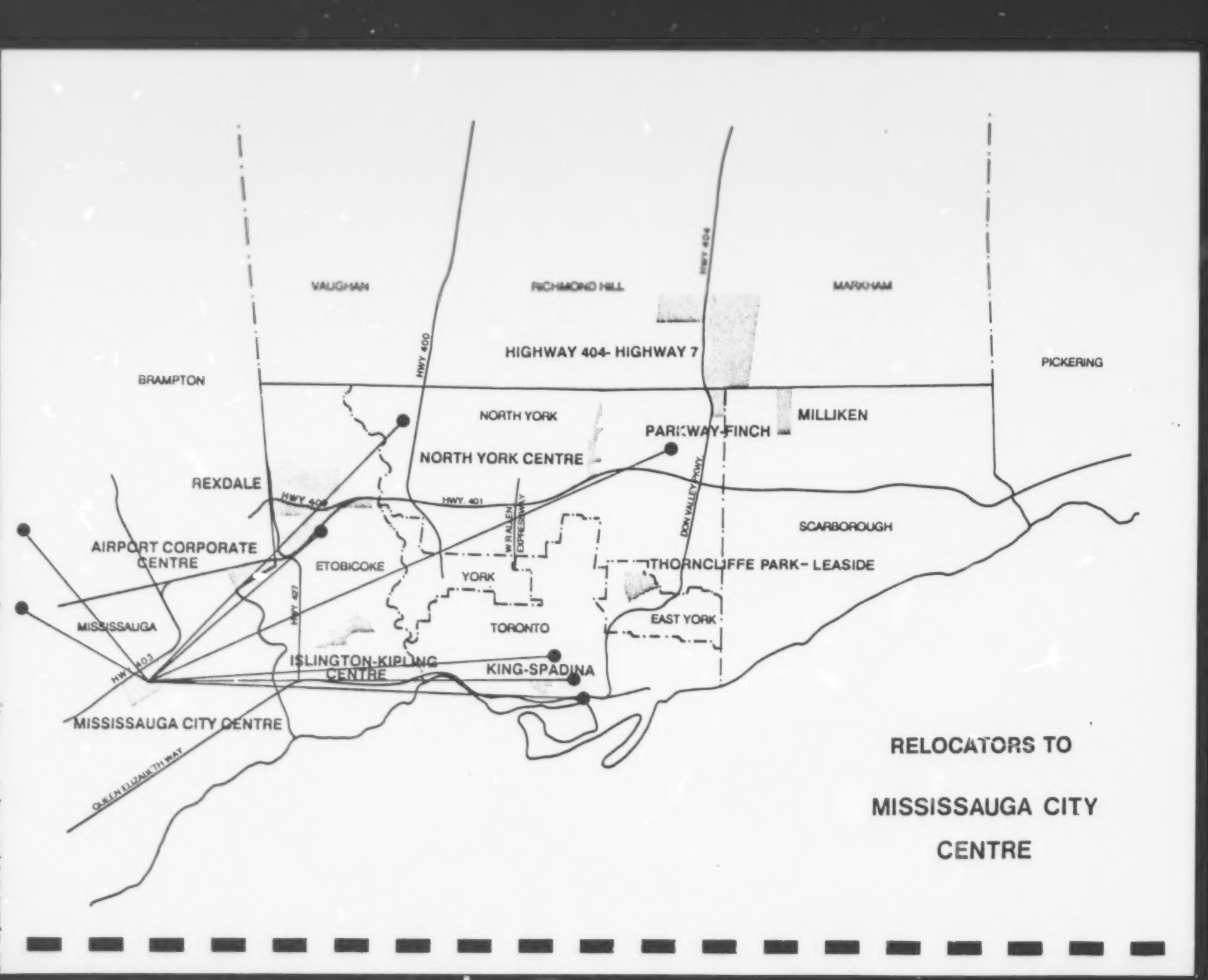
The Centre is the largest office concentration outside of Metro Toronto in the Metropolitan Region. The focus of the Centre is the Square One shopping centre and Civic Centre complex. A mix of office, commercial and residential development is located elsewhere in the Centre. The Centre has undergone major office development in the past decade in the form of low rise buildings in a campus-like setting as well as high rise office buildings.

The Mississauga Official Plan designates the area as the City Centre.

B. EMPLOYMENT GROWTH AND STRUCTURE

The Mississauga City Centre has emerged within the past five years as a major office node. Due to the limited employment data available for the Mississauga City Centre, detailed historic employment growth and structure analysis could not be provided. Nonetheless, the following employment characteristics based on previous studies and analysis provides a more general description.

Mississauga has a widely diversified employment base. This is due to the wide variety of office space which is offered within Mississauga. Over the last five years many of the downtown large legal, accounting, and financial firms have established branch offices within the Mississauga City Centre. In effect, the City Centre is characterized by FIRE category firms as well as business and technical services firms. In addition, the City Centre is the only area in the GTA which replicates the range of services found in downtown Toronto.


VAUGHAN
RICHMOND HILL
MARKHAM
HWY 404
HWY 400
HIGHWAY 404- HIGHWAY 7
PICKERING
BRAMPTON
NORTH YORK
MILLIKEN
PARKWAY-FINCH
NORTH YORK CENTRE
REXDALE
HWY 409
HWY. 401
WILLOWDALE DRIVEWAY
DON VALLEY PKWY
SCARBOROUGH
AIRPORT CORPORATE CENTRE
ETOBICOKE
THORNCLIFFE PARK- LEASIDE
YORK
HWY 427
MISSISSAUGA
TORONTO
EAST YORK
HWY 403
ISLINGTON-KIPLING CENTRE
KING-SPADINA
MISSISSAUGA CITY CENTRE
QUEEN ELIZABETH WAY
RELOCATORS TO
MISSISSAUGA CITY CENTRE

C. SURVEY SUMMARY

o Major Characteristics Of Surveyed Firms

- While the surveyed firms reveal a good mix of business types, the majority belong to the FIRE (30%) and business services (35%) categories.

- The sample includes of a total 519 employees of which 55% are male.

- The Mississauga City Centre holds the highest proportion of new branch offices at 25% while 55% are relocators, and 20% are new companies. Mississauga City Centre has one of the highest proportions of relocators who are from a different area. Like Airport Corporate Centre, this is likely due to the fact that the majority of the Centre's development has occurred within the last three to five years.

o Location Factors, Advantages, And Disadvantages

- The most highly mentioned factors affecting location decision are profile or status of area, and general appearance of area.

- Proximity to highway, proximity to labour supply, good transit, proximity to Airport, proximity to executive homes, and high profile of area were the most highly noted advantages of the Mississauga City Centre.

- With few firms citing any disadvantages, high rent and congestion were the most common.

- Overall, 75%, rated the study area as "excellent". This is the highest proportion in comparison to the other areas. This significantly high rate supports the many cited advantages and very few noted disadvantages.

- **Comments**
  - "Office area must be inviting, attractive, and accessible like Mississauga City Centre"
  - "High downtown densities drive firms out"
  - "Green space and variety of activities are essential"
  - "Improve downtown transportation system"
  - "Congestion is causing firms to leave Metro"
  - "Mix office and industrial uses in office parks - VARIETY!"

APPENDIX C

CASE STUDIES OF LARGE ESTABLISHMENTS

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CASE STUDIES OF LARGE ESTABLISHMENTS

This appendix discusses the case studies that were undertaken. It starts with a description of the seven organizations and the locations which they chose. Next, operations and staffing factors are discussed. The third part reviews the reasons behind the moves and the fourth part reviews the location factor evaluation. The specific factors for each organization are described individually. Finally, the appendix has a short section on the conclusions and implications of the case studies.

I THE ESTABLISHMENTS

Between early December, 1989 and the end of February, 1990 case studies of five large establishments were conducted. It proved difficult at times to find establishments which fulfilled the criteria for selection: more than 300 employees, moved not more than three or four years ago, and having had time to settle in their new locations. In the case of the Mississauga City Centre, an establishment with 200 employees had to be chosen.

Interviews with at least three persons from each case were conducted. Interviews focused on senior officers in charge of finding a new location. These were usually "facilities", "real estate", or "financial" specialists and invariably acted as key advisors to the company presidents. (In all cases, company presidents were described as the most important decision makers; parent companies and boards or directors were described as approving the presidents' choices). Senior officers in charge of employment were also interviewed. Further, a variety of other persons were contacted: members of the relocation study teams, marketing executives or managers, and systems department officers. Three presidents were contacted, two by telephone, one by letter. (Two of these presidents selected new office locations, but are now retired). Interview data was implemented by series of annual reports, internal telephone directories, newspaper articles, the Financial Post Directories of Directors and other materials.

Table 1 shows the case study locations, the status of the establishments studied, the date of move, various pieces of information about the current premises occupied, and the overall number of employees in the case study establishments.

Three of the case study establishments, the North York Centre, Parkway-Finch, and Airport Corporate Centre cases, are the head offices of manufacturing companies. None of these are at the respective pinnacles of their firms; two are the head offices of Canadian subsidiaries of U.S. corporations, and the third is a head office of the Canadian subsidiary of a Canadian multi-national.

Reference will be made to a sixth, partial case study, which involves another head office of a Canadian subsidiary of a Canada-based multi-national company. At the end of February 1990 it transpired that this office with about 180 employees would move from Toronto's Financial District to the Airport Corporate Centre in January 1991.

The Mississauga City Centre and City of Toronto industrial area case studies are "back offices" of Canadian trust companies with head or partial head offices in Toronto's Financial District. The principal components in both cases are systems departments with data centres. However, in both cases other head office groups share space with these systems departments and data centres. The Mississauga City Centre case was split into two sub-cases, because the location decisions for these two parts were to some degree independent of each other.

One of the establishments surveyed, the North York Centre one, moved in 1986; the other ones moved in 1988.

With the exception of the establishment located in an industrial area in the City of Toronto, all others rent office space. Of these five, including the one to move in 1991, four rent parts of multi-tenant buildings, and only one of these five occupies the whole rented building. All renters are anchor

tenants and their logos or names are or will be prominently displayed on their respective premises.

If the two Mississauga City Centre sub-cases are considered together, the size of the case study establishment varies between 63,000 and 200,000 square feet and between 200 and about 600 employees. Most employee figures are given in the form of a range, because premises or real estate managers supplied fairly large numbers, but detailed accounts by personnel departments produced much smaller figures.[1]

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[1] *This was invariably experienced in the surveys carried out by Gad in 1970-71. See G. Gad (1976), Toronto's Central Office Complex. Toronto: University of Toronto, unpublished Ph.D. Thesis.*

II OPERATIONS AND STAFFING

The three manufacturing company head offices, and presumably the fourth one moving to the Airport Corporate Centre in 1991, are very similar in terms of their functions and day-to-day operations (see Table 2).

The major activity carried out by these offices is marketing products through a nation-wide network of sales offices. A great deal of head office linkages are with these sales branches - by car if they are located in southern Ontario, and by air if they are in any other part of Canada. The establishment presently located at the Airport Corporate Centre also engages in selling on a global scale, and needless to say these marketing links involve air travel.

Two of the head offices bring customers into the head office for demonstration of equipment. These customers are selected and often come from out of town by air travel.

Another major strand of linkages binds the head offices to manufacturing plant or research laboratory locations. The establishment now located at the Airport Corporate Centre boasts of 24 manufacturing plants in Canada. Plants are located in the suburbs of the Toronto area and, in some cases, right across Canada.

Apart from face-to-face contacts with personnel from the sales and manufacturing establishments of their own firm, these head offices have infrequent contacts with a wide range of various government departments, unions, other firms, and non-profit organizations. "Representatives" of other firms are usually considered as "vendors", e.g. management

consultants, executive search firms, systems consultants, etc. and it was stated that these would come to the head office no matter where it would be located.

It is impossible to measure the number of face-to-face meetings between these head offices and other establishments given the few interviews conducted. However, the opinion of those interviewed is that the head office personnel stays "pretty much in the building - unless on travel out of town"; the impression on visiting these offices is one of calm in the reception areas.

These impressions about linkages conform very well to the findings in earlier studies[2]: the head offices of manufacturing companies have very low linkage frequencies; the largest component of their face-to-face linkage system is with establishments of their own firm; and the face-to-face linkage partners are scattered over a wide area rather than within an office centre of business park.

It is noteworthy that clerical employment accounts for a fairly low proportion of total employment in these head offices (22% - 26%); most of the clerical staff are secretaries or tele-marketing staff. The executive layer is also fairly thin, and thus the bulk of these head offices consists of "managers", "officers", "analysts" and various other job titles. Male/female employment is balanced, which, together with the relatively low clerical figures, means that women are quite strongly represented in the managerial and professional ranks. (There is very clear evidence that they are under-represented in the executive strata.)

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[2] *See especially G. Gad (1976), Toronto's Central Office Complex. Toronto: University of Toronto, unpublished PH.D. Thesis.*

The systems department and computer centre of the Mississauga City Centre case study serves only one function of the company; the other function is supported by a systems department and data centre in a town in south-western Ontario. The major task of the Mississauga facility is to support branch operations throughout Canada. This involves mailing statements on a daily basis via courier and, in many cases, airplane. Statements for corporate customers throughout Canada are also shipped on a regular basis. A constant coming and going of delivery vehicles is evident.

Systems development (or maintenance) involves face-to-face contacts with the head office in the Financial District and the other systems department in the town in south-western Ontario mentioned above. Only a few people seem to be involved in these contacts and travel in both directions is by car. "Vendors" come to the office infrequently, maybe one per day on average.

The systems/data centre part of this Mississauga City Centre establishment employs very few clerical workers: only 9% of the 175 employees. There are, however, many computer operators employed and if these are included the non-professional, non-managerial group is pushed up to a level of 47%. Since only two vice-presidents are based here, a great proportion of the staff consists of managers, project directors, analysts and programmers. The junior programmers have at least a community college degree, some have university degrees. There are no massive numbers of data entry clerks apparent. This profile of employment is also documented by Huang[3] and does not support the notion of "back offices" with very high proportions of female clerical workers. slightly more female than male workers are

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[3] *Shirlena Huang (1989), Office Sub-urbanization in Toronto: Fragmentation, Workforce Composition and Labourshed. Toronto: University of Toronto, unpublished Ph.D. Thesis.*

employed here, which, again, means that female employees hold a wide variety of jobs.

The head office department (Mississauga City Centre B) sharing space with the systems department is in charge of consumer lending and is headed by an assistant vice-president and a manager. Only 6 of 25 employees are clerks, while the major group consists of middle mangers and credit officers.

The department approves loans which exceed the threshold set for branches and regional offices. Almost all business is conducted by mail or telephone. Only the assistant vice-president and manager travel to branches or to head office. The assistant vice-president drives to the head office in the Financial District several times a week; he has a second office there.

The operations of the establishment in the City of Toronto industrial area have not yet been studied. It is expected, however, that the case is very similar to the Mississauga City Centre one. Preliminary employment figures show an even split between male and female employees and a great proportion of managers, officers, analysts, etc. There is a substantial group of vice-presidents (mostly male) and a relatively small group of clerical workers (mostly female). However, large accounting and marketing departments housed together with the systems department/computer centre may shift the percentage of clerical employees a bit higher. (The data source used so far seems to neglect some of the clerical workforce; further data has been promised by several departments.)

Although in all cases the majority of workers seem to use the car to get to work, how high the percentage of car users goes seems to vary by location. The City of Toronto industrial area establishment seems to have the lowest

proportion of car users. 150 persons use inside parking facilities, another 30 use a parking lot nearby. How many park elsewhere is not known. Depending on what one considers as the size of the establishment more than one third and maybe even one half of the employees use the car (parking is not free). 230 of the 500-625 employees in the North York Centre establishment have monthly parking passes for the garage under the office tower and it is believed by company officials that many more employees park on surface lots or streets in the vicinity. It seems that 50-60% or even more employees use the car.

No survey figures or even estimates were provided by the Mississauga City Centre establishment. Parking is ample and totally free and one gets the impression one is asking a dumb question if one asks how many people would use public transit. The establishment in the Airport Corporate Centre initially provided a shuttle bus between the office building and the nearest transit stop. A survey revealed that only 15 of 500-690 people used the shuttle bus - all others arrived by car. Parking is free. The establishment to locate in the Airport Corporate Centre next year will also rely on free parking: employees are told now that there will be ample free parking.

The findings reported here concerning operations and staffing have a number of policy implications which will be discussed later on.

III PREVIOUS LOCATIONS AND REASONS FOR MOVING

Previous locations, premises occupied there, and causes and reasons for moving are summarized in Table 3.

It is interesting to note that long distance moves are only made by the Financial District establishments: the two sub-establishments in the Mississauga City Centre location and the manufacturing company head office to be moved to the Airport Corporate Centre in 1991 have there origins there.

Less dramatic moves include the North York Centre case. There a move from an office park-type setting within North York was made. The City of Toronto industrial area establishment came from the Central Core Area (but not Financial District).

Even less dramatic moves occurred in the last two cases; the establishments now located in the Airport Corporate Centre and the Parkway - Finch office park: here the moves were between office park-type settings within the same suburban sector, although in one case it involved the crossing of the Metropolitan boundary.

The immediate reasons for moves are rather unproblematical (lack of space and inadequate buildings, lease expired), but the reasons for switching areas are less straightforward. Clearly, the establishments leaving the Financial District are moving away to obtain lower rents. Nobody mentioned staffing problems or inaccessibility as primary reasons.

One establishment was clearly dissatisfied with the area it was in, although the cost of space was not a factor. The general isolation of the office, the difficulty of access by public transit ("transfers are always necessary") and "poor image of the area" were the major reasons for moving away.

Three of the establishments saw nothing wrong with the area they were in. The lack of the right quality space in the right amounts at the right time, however, made them leave the areas they were in. It could also be speculated that if the establishment located in the Don Mills Road/Overlea Boulevard are wished to stay in the vicinity, it could not have found adequate space in the quantity needed at the time of the move.

The lack of the right space at the right time has serious implications for the overall direction of moves. The probability of the availability of high quality space in large amounts and in the type of buildings where establishments with 200-600 employees can be anchor tenants, increases as one moves further from the centre of the region. New office parks in Mississauga and in the Parkway-Finch area, both inside and outside of Metro Toronto, have had, still have, and will have a ready supply of brand new medium-sized buildings, which will attract the kinds of establishments studied here.

IV LOCATION FACTORS AND THEIR EVALUATION

When looking for a new location the decision makers have to consider four major factors or bundles of factors:

- **Cost Of Premises, Including Either The Rental Or Acquisition Of Premises**

  This will also include the consideration of the cost of parking spaces, although if parking is for employees, this cost may be more properly considered to be a labour cost. The cost of premises also includes real estate taxes.

It can be assumed that every reasonable rational decision maker attempts to keep the cost of premises as low as possible. There are several reasons why the lowest rent or acquisition price is not being paid:

- **Operation Factors**

  Some locations are more convenient than others for conducting business. Face-to-face linkages and the transportation of documents costs money.

- **Labour Factors**

  This includes wage rates or salary levels, the minimization of turnover and maximization of attractiveness by providing employees with an accessible workplace and with a workplace in a setting conducive to employee's lunchtime and post-work activities.

- **Image Factors**

  Companies use their locations (and buildings) to convey an image, to advertise, and/or lift the morale of employees.

There may be a number of other factors, for example, a company may want to choose a location that does not only provide an adequate or optimal operating base, but also provides a return on a real estate investment.

Further, there are contextual circumstances, which are not under the control of the decision makers. There the availability of land or premises has to be taken into account as do corporate links (e.g., another company in the "corporate family" owning office premises). This kind of factor and a series of similar ones are often referred to as "political" factors.

How these factors were balanced in the location decisions of the case study establishments and which circumstances affected these choices will be described in seven case study vignettes.

A. NORTH YORK CITY CENTRE

The company considered locating along the Yonge Street subway axis from the waterfront to Finch. It also considered a site in Oakville, which it owned.

The Oakville site, although cheap, was eliminated, because it was too far away from the bulk of the employees. (However, two executives lived in Oakville and the company president would have cut down on his journey to work in comparison to all other sites considered).

Potential locations in the central core area of the City of Toronto were considered to be too expensive. No advantage for operations would have ben gained at the rental or real estate prices. The company also claimed that its studies showed higher salary levels downtown than in the suburbs.

It wanted to avoid these higher salaries. Also, it was feared that employees might react negatively, given the high cost of parking, the high level of congestion and the high price services in the core south Bloor Street.

The location in the North York City Centre was chosen because of the image of the area and the ease of access by employees. The company seemed to be aware that this would incur a relatively high cost.

The company wanted to be associated with an area that had a good image. In the North York City Centre, company officials saw an area "with ambience", "a feeling of visibility", "an aura of growth", "a place with other large corporations like...".

For the sake of employee convenience the company wished to be on the Yonge Street subway line. How important this factor really was is not quite clear (see below). It is quite obvious, though, that through its previous North York locations, the head office had acquired a labour force from the central axis through Metro, with a strong suburban bias. Although the president and two executives lived in Etobicoke and Oakville respectively, it was felt that the other executives and the managerial group had a North York/Markham orientation.

The insistence on a subway location makes sense when one keeps in mind that image played a great role and that initially the company was interested in a real estate investment (on the insistence of the U.S. parent firm). The dynamism of the North York City Centre and the salesmanship of North York's mayor, and the ease of finding a development partner all came together to make this location choice relatively easy.

The operation factor played a minor role in the decision. It was felt that good access to the airport was important (about half of the out-of-town trips via air travel begin or end at the office), but otherwise the day-to-day operations do not seem to have required a special location.
Amenities for employees also did not seem to have played a major role. A company cafeteria and a fitness club were meant to compensate for any shortcomings.

The company officials seem to be very satisfied with their choice. They do voice some concerns, however. They see the location as an expensive one and indicated they might be tempted to move some parts of the head office to a cheaper location outside Metro or even outside the region. They consider parking to be expensive and traffic congestion increasing. They are also ambiguous about the "culture" of the head office: on the one hand they see themselves as suburbanites who like to be in the office all day - no outside lunches - and then go home, but on the other hand, they voice some worries about the lack of casual contact for staff. It seems that the core part of this head office is not a likely candidate for a move to an office park outside Metro.

B. AIRPORT CORPORATE CENTRE

1. Company 'A' Relocation

A number of location possibilities from downtown Toronto to Etobicoke to Mississauga City Centre were considered. This included the consideration of splitting the head office into a downtown component (executives and client oriented functions) and a suburban one (with "mundane business").

Downtown was considered to be prohibitive in terms of rent and parking costs. A serious staffing problem was also feared, because it would have precluded the use of the car for the journey to work for many employees.

Locations in Etobicoke were eliminated, because taxes and parking cost were high, although rent levels would have been lower.

The Mississauga City Centre was eliminated because rents were relatively high there and parking would have been more expensive than at the chosen location.

The Airport Corporate Centre location was seen as the best solution because it offered the company head office the exclusive use of the building; free parking was available for all employees and these employees lived predominately in Etobicoke and in the suburban fringe to the west of it.

Low cost and accessibility for employees by car were the major considerations. Operation factors were also at work and being very close to the airport was seen as a major asset, since a great deal of the companies business includes air travel. However, the previous location in Etobicoke and locations in other parts of Mississauga would have equally well met this criterion. The actual move is over a short distance and most of the network of face-to-face contacts and business meeting places seems to have remained unchanged.

The image factor was of some importance: since the company got involved in selling products to end consumers, it wished to advertise in the proximity of a major expressway.

A further attraction was the involvement of a development company with corporate ties to the head office under study here. That the site was ready for development at the right time must have been a major consideration.

Although there are no shops or restaurants - or anything else but rabbits and the smell of jet fuel - within reasonable walking distance, employees seem to be very happy. A large cafeteria and a fitness centre compensate for he lack of amenities. Some employees could be found who grumbled about the "bleak" appearance of the building and the "isolated" location. These employees seem to be those who could walk to the office in Etobicoke or who live in the City of Toronto. They seem to be far outnumbered by the employees who live further west and north.

The president under whose direction the relocation occurred lives in Mississauga. However, this circumstance does not seem to have had a major impact on the location decision.

The chief advisor to the president (regarding the location decision) lives in Etobicoke. He is happy with his recommendation, but regrets the distance to the subway: new parking is free, but he asks himself about what will happen in the future, particularly when real estate prices around the head office increase or when the journey to work by car may not be popular.

2. **Corporate 'B' Relocation**

Initially this establishment wished to acquire its own premises or form an equity relationship with a developer. Search for a piece of land focused on Mississauga, with six sites along the 401 from the Etobicoke to Oakville boundaries being considered. Other sites in Oakville and north of the 401 in Waterloo were also analyzed. The company also thought briefly about moving to Barrie, but rejected this idea quickly because it would have been too far and of its labourshed (and highway 400 would have been the only and precarious link). Sites in Etobicoke were not considered. On probing in the interview a company spokesperson argued that no site big enough would have been available in Etobicoke and it would have been far too expensive in terms of price and taxes. Although Etobicoke would have provided public transit, it would have been hard to use the car to get to work. (The latter obviously being valued higher than public transit).

A site in Meadowvale was decided upon for purchase, but the parent company ruled out a land purchase or any other form of real estate investment. Subsequently, some of the areas already investigated in Mississauga were evaluated from the point of view of renting space and suitably cheap space turned out to be available in the Airport Corporate Centre.

The prime factors shaping the search of this establishment were the cost of space, including real estate taxes, and the accessibility for employees who lived in the "west end". It should be mentioned here that the establishment was located in the Eglinton/Weston Road area for a considerable number of years before moving to the Financial District. In this earlier location it had acquired a labour force from the western suburbs and this employee distribution pulled the search space towards the western fringe areas. The company seems to have conducted fairly intensive studies of the distribution of employees before deciding on a new location.

Apart from cheaper space in Mississauga and accessibility by employees, the company thought the Airport Corporate Centre location would be advantageous because it was close to two other company facilities in Mississauga and the airport. Also, hotels for out of town visitors would be cheaper at the airport strip than downtown. Visibility of the company name from the 401 was also seen as being a nice bonus.

The negative aspect of the Airport Corporate Centre is the lack of amenities. One of the two person interviewed, both of them Mississauga residents, bemoaned the fact that nothing like the stimulating streets of downtown Toronto would be found at the new location. However, it is expected that a company cafeteria and free parking will compensate for the lack of "amenities". Employees are being told now that there will be free parking. Although no figures of transport mode for the journey to downtown could be obtained, it was mentioned that a number of employees would switch from the GO train to the car. It was claimed by one of the two respondents that the new location will be good for the employees: they will save $1,400 per year in GO passes; instead of driving to the GO station, they will drive just a bit further.

Staff turnover above the clerical ranks is of some concern. However, it is expected that clerical workers can be found in the Mississauga location and that higher level employees have enough stakes in their jobs to commute to the new location.

The company expects no savings in labour costs in Mississauga. There is fierce competition for labour in Mississauga and there are as many "career goals" as downtown.

C. PARKWAY - STEELES

The company retained a relocation consultant because of the limited knowledge of senior management of the Toronto market. A number of locations were considered including Downtown, Mississauga, Markham, and Parkway/Finch. Mississauga was soon rejected because of poor access for existing staff.

Initially, space in a prime downtown building was selected. This was because an intention to provide a training centre for clients which would jointly serve the Canadian company and a department of the U.S. Parent. Shortly before finalization of the lease the U.S. department was advised that corporate policy prevented this arrangement. Given this, the Canadian company withdrew from the deal as it considered the downtown location was too expensive and more inconvenient for staff.

The search was then redirected to examining options in Markham and the Parkway/Finch area. The company as keen to obtain space that could provide a high profile (through signage), a "high tech" image, expansion space, and good parking. The decision was also constrained by a tight timetable. Only three or four buildings were identified that could possibly have suited the requirements. The building that was the preferred choice because of lower property taxes was in Markham. However, the timing of the building was wrong and therefore the Parkway/Finch building was selected.

D. MISSISSAUGA CITY CENTRE

1. Company 'A' Relocation

The search space for a new systems department/data centre location stretched from the western edge of the City of Toronto to Streetsville. The cost of premises pushed the search outward from the Financial District and operations factors shaped the search area in a westward direction. The company was concerned about easy access to three key locations for the day-to- day operations:

a) the head office downtown,

b) the other computer centre and systems department in south-western Ontario, and

c) ease of access to the airport

In this case, dissatisfaction with downtown from a labour point of view may have also played a role in searching for a westerly suburban location. It was felt that employees were dissatisfied with the hassle of getting to work downtown and tensions could be eased in a new location. One company spokesperson claimed that the company thought labour would also be cheaper in the suburbs. Although nominal wage rates would be the same, indirectly wage costs get pushed up downtown because of "ambitious career girls", whereas in the suburbs one could avoid classifying employees upward because of an ample supply of female secondary income earners. This view was strongly challenged by other persons (male) in this company and by personnel managers (female, suburban residents) from at least two other companies. The company experienced stiff unexpected competition for labour in Mississauga and the spokespersons for other companies claimed that these earlier expectations rested on unwarranted suburban stereotypes, maybe applicable ten years ago but not any more.

The company focused on two possibilities: an empty factory-warehouse type building in the 401/427 vicinity (within Etobicoke) and a vacant data centre in the Mississauga City Centre. There seems to have been some conflict within the company over which one was better. The Mississauga City Centre facility seems to have won out because of "corporate links": the vacant data centre belonged to a computer manufacturer who is the supplier to the case under examination. The key advisor to the president had close links to this supplier and was also a resident of Mississauga. The president who favoured a location at the Islington or Kipling subway stations in order to minimize staff turnover was, in his own words, "persuaded by his computer people" that the high quality and availability of the Mississauga location would outweigh disadvantages. The advocates of the airport area location, who upheld cheapness and access to the airport as assets, also lost out. They also had to contend with the argument that the Mississauga City Centre provided better employee amenities (shops, restaurants, public transit) than the industrial park setting in Etobicoke.

The systems department/data centre suffered from a fairly severe staff turnover. Many employees, and this seems to have included many specialists, left before the move; others did not like the Mississauga location after the move. It has to be kept in mind though, that with the switch in location came the switch from an IBM to another system and this may have increased turnover. In spite of this, the case illustrates the problems of a long-distance, off-central axis move. These moves will not be undertaken lightly, since

staff turnover its inevitable. This is particularly a problem in an establishment with many non-clerical employees at a time when competition for these kinds of employees is high. Far from saving in labour cost, the company had to institute short term financial incentives to encourage employees to work in Mississauga. The situation could have been worse had not a slight majority of employees been residents of the western sector of the Toronto region.

2. **Company 'B' Relocation**

This is a relatively simple case, since the existence of the systems department/data centre in the Mississauga City Centre made the search for a location of the head office "Consumer lending department" relatively uncomplicated.

This department suffered a high staff turnover in the Financial District due to cramped office space. In accordance with corporate decentralization policy more plentiful and cheaper accommodation was sought outside the Financial District. The consumer lending department was told it could choose from three existing or planned "spill-over" office sites: the Mississauga City Centre, the North York Centre, or a future location in Scarborough.

The nature of operations allowed the consumer lending department to selected any of the three locations, although proximity to the airport was seen as being advantageous.

The decisive factor was the choice of the employees, who were asked where they wanted to be. Since two thirds of them lived in the western parts of the Toronto area, they literally seem to have voted to move to the Mississauga City Centre location.

After a minor turnover, the new location is thoroughly enjoyed, particularly the view from the ninth floor and the free parking facilities.

E. CITY OF TORONTO INDUSTRIAL AREA

The search space for this data centre and data centre related administrative functions was extremely far-flung initially: it included Mississauga, Markham, and Scarborough. However, problems with employee access were feared and concerns about the dependability of electric power supply

were raised. Above all, it was felt that these areas were too far from the Financial District. At the time of the search for a new location it was planned that the "stock transfer" department of this company would move to the new location from the Financial District. It was felt that this department had to be fairly close to the Financial District in order to transfer documents without heavy costs or risks.

Sites closer to the Financial District included Yonge/Sheppard, the Leaside industrial area (especially the vacant Phillips building at Eglinton and Laird) and various possibilities at the perimeter of the Financial District. The Yonge/Sheppard location was dropped because it was still too far from the Financial District. The Leaside location was rejected because of the awkward site configuration, especially the difficult access on foot from Eglinton Avenue. (The key searcher of the company did not like the wind-swept Don Mills/Eglinton area; the company had a subsidiary there. Frequent visits to that office created an unpleasant "feel" for the area.) Various sites north and south of the Financial District, including an expansion of the office at Church and Charles were rejected because of zoning by-law problems, unco-operative neighbours or the lack of large enough amounts of space at the right time.

The chosen site in the Massey Lands presented itself as an "excellent" solution.

Land could be acquired here at "suburban rates". The important links to the head office and other office in the Financial District could be maintained relatively cheaply and without incurring any risks. Access for employees was judged to be inferior to accessibility of the old site at Church and Charles, but it was felt the King streetcar, the future GO station at Exhibition Place, and the planned Front/Bathurst ramp for the Gardiner Expressway would provide transportation infrastructure. Ample parking, an attractive roof-top cafeteria and a fitness centre were thought to be adequate compensations for a longer or more difficult journey to

work and the lack of shopping/restaurant-type amenities in the King Street West area.

Image seems to have been of some importance. The company name was supposed to be displayed prominently on the four sides of the top floor. There was the potential for the visibility from the Gardiner Expressway. Some executives, especially the president of the company, liked the image of a "new business park in the heart of the city".

The context of the search for a new site is of great importance in this case. The site in the Massey Lands seems to have been available at the right time. The developer was anxious to attract a first and high profile purchaser of a lot, and family ties between developer and future purchaser made communication easy.

The move did not quite work out in the way it was planned. the stock transfer function did not relocate from the Financial District in the end. The building does not have the planned inscriptions at the top. The zoning by-law permits a computer centre and related functions only, hence the majority of the building is occupied by the systems department and computer centre, the controller/accounting department, and marketing functions.

There seems to have been some staff turnover because some employees did not like the longer journey to work and/or the lack of amenities ("there is no place where you can even buy a stamp"). It is difficult to superimpose a "suburban outlook" on a staff that has been used to a downtown location.

V CONCLUSIONS AND IMPLICATIONS

- Manufacturing company head offices have relatively few constraints in location choice dictated by operations factors. Suburban sites with easy parking and with good accessibility to airport seem to have great advantage.

- Image and accessibility by pre-relocation labour force are extremely important. Pre-relocation labour force in these case studies have a suburban, sectoral orientation and insist strongly on the use of the car as a means to get to work.

- Sub-centres will not be as popular as office parks. The office parks favoured will be further and further out because of the increasing labour pools on the periphery of the present region. Sub-centres in Metro might be able to draw on the offices with a long location history along the Yonge axis. Employees will be oriented to this axis and less interested in car use.

- Some sub-centres may be popular because of the image they can convey and some companies are prepared to pay the higher rents associated with major sub-centres. These offices have a small clerical component.

- The secondary or "back offices" of financial companies put space costs and operation factors high on their list of priorities. Since they are spun-off from Financial District locations, they face, at least in the first generation of new locations and initially, staffing problems in locations which are 100 peripheral.

- Locations around the Financial District and in office and industrial parks within Metropolitan Toronto will be popular.

- Business park-type locations may be more popular than office sub-centres. These business parks offer easier access for cars and trucks engaged in operations and for staff on shift work (see M. Matthew, 1986).

- Not all "back offices" are biased towards clerical jobs. Data centres and especially systems departments have a high percentage of high quality jobs. They may be as well paid as manufacturing jobs. Sometimes departments with a high percentage of clerical labour are attached to data centres (accounting, billing, credit card operations). There are indications that these provide jobs for "ethnic" groups and recent immigrants.

INFORMATION TO THE READER

This study, together with the three previously published reports entitled: The Changing Metropolitan Economy, Centres and Office Areas and Industrial Areas, serves as a background document in the review of policies related to Metropolitan employment areas and economic activities as part of the Metropolitan Plan Review process.

All members of the community are invited to comment on the issues presented in this report. It is hoped that individuals and organizations with particular expertise on matters raised here, will convey their conclusions and concerns from their own perspective. Such information will be considered and reported in the preparation of policy recommendations which will follow.

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